



PUBLIC COMMENT SESSION SIGN IN SHEET

OCONEE COUNTY COUNCIL MEETING

Tuesday, July 6, 2010

6:00 PM

Oconee County Administrative Offices
415 South Pine Street, Walhalla, SC

Limited to forty [40] minutes, four [4] minutes per person.

Citizens with comments related to a specific action agenda item will be called first.

If time permits additional citizens may be permitted to speak on a non agenda items *[at the discretion of the Chair]*

PLEASE PRINT

	FULL NAME	AGENDA ITEM FOR DISCUSSION
1 X	John Dalton	SPEC Building
2 X	JOHN W. ADAMS	SPEC BUILDING
3 X	Boze Richards	" "
4 Y	Jan Derwage	asked to speak
5	but did not sign up, was told she could speak	
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12		
13 X	B. J. L.	
14		
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OCONEE COUNTY COUNCIL
ABSTENTION FORM

Council Member Name:

Reg Dexter
[Please Print]

Council Member Signature:

Reginald T. Dexter

Meeting Date:

6/15/10

Item for Discussion/Vote:

minutes

Reason for Absention:

I was not present for original meeting/discussion

I have a personal/familial interest in the issue.

Other: _____


Elizabeth G. Hulse
Clerk to Council

[This form to be filed as part of the permanent record of the meeting.]

Beth Hulse

From: Cornelius [corneliusb@yahoo.com]
Sent: Tuesday, July 06, 2010 4:43 PM
To: Beth Hulse
Subject: Ordinance 2010-17 Public Hearing

Beth,

I unable to attend the public hearing tonight and want the following comments in the record.

Thank you

Susie Cornelius
170 Old Mill Lane
Mountain Rest SC 29664

Oconee County Council
Oconee County Administrator

RE: Ordinance 2010-17

Please ensure that road names changes, on roads of general use, are acceptable in the general community.

Several years ago, with no notice to the public, in my community the county road department began changing the names of roads and putting signs on roads we all drive over with names we did not recognize. I checked with the US Post Office in Mountain Rest and they had no notice of road name changes.

I contacted two of the Councilmen on County Council at that time who told me they knew nothing about it. I contacted employees in the Planning Department and rather vaguely was told that names were being changed to better represent the roads and indicated some of the names may have come from old US Forestry maps.

The only response I got to my complaint about the name changes was that the name changing was going to stop, until sometime in the future.

I want to know who has the right to select names of community roads. It should not lie with planning department employees, especially those who live outside the county.



**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: July 1, 2010 7:00 p.m.**

Ordinance 2010-17 "AN ORDINANCE TO AMEND CHAPTER 26 OF THE OCONEE COUNTY CODE OF ORDINANCES IN CERTAIN LIMITED REGARDS AND PARTICULARS, ONLY, AS TO THE AMENDMENT OF CERTAIN UNIFIED ROAD STANDARDS FOR THE UNINCORPORATED AREAS OF OCONEE COUNTY, THE AMENDMENT OF ROAD CONSTRUCTION INSPECTION POLICIES AND PROCEDURES AND THE ESTABLISHMENT OF FUNDING FOR SUCH INSPECTIONS, AND THE REVISION OF ROAD SIGNAGE POLICIES AND PROCEDURES AND THE ESTABLISHMENT OF FUNDING FOR SUCH SIGNAGE, AND OTHER MATTERS RELATED THERETO"

Ordinance 2010-23 AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND U.S. ENGINE VALVE CORPORATION, AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES

Ordinance 2010-24 "AN ORDINANCE TO AMEND THE AGREEMENT AUTHORIZED BY ORDINANCES NO. 2006-027, 2008-017 AND NO. 2010-04 RELATING TO THE INDUSTRIAL/BUSINESS PARK OF OCONEE AND PICKENS COUNTIES SO AS TO ENLARGE THE PARK"

Public comment during a public hearing is not limited to four minutes per person.

Sign up sheets will be available thirty minutes prior to the hearing for those interested in addressing Council.

Written comments may be submitted at any time prior to the hearing for inclusion in the official record of the meeting.

Please submit written comments to the Clerk to Council, 415 South Pine Street, Wadalla, South Carolina, 29691.

Please PRINT your name

	2010-17	2010-23	2010-24
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**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE NO. 2010-17**

AN ORDINANCE TO AMEND CHAPTER 26 OF THE OCONEE COUNTY CODE OF ORDINANCES IN CERTAIN LIMITED REGARDS AND PARTICULARS, ONLY, AS TO THE AMENDMENT OF CERTAIN UNIFIED ROAD STANDARDS FOR THE UNINCORPORATED AREAS OF OCONEE COUNTY, THE AMENDMENT OF ROAD CONSTRUCTION INSPECTION POLICIES AND PROCEDURES AND THE ESTABLISHMENT OF FUNDING FOR SUCH INSPECTIONS, AND THE REVISION OF ROAD SIGNAGE POLICIES AND PROCEDURES AND THE ESTABLISHMENT OF FUNDING FOR SUCH SIGNAGE AND THE REVISION OF ENCROACHMENT POLICIES AND PROCEDURES AND THE ESTABLISHMENT OF FUNDING FOR SUCH ENCROACHMENTS; AND OTHER MATTERS RELATED THERETO

WHEREAS, Oconee County, South Carolina (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its County Council (the "County Council"), is authorized by Section 4-9-30, South Carolina Code, 1976, as amended (the "Code"), among other sources, to provide for a system of public works, including roads and bridges, of the County, and to assess property and levy ad valorem property taxes and uniform service charges for functions and operations to the County, including, but not limited to, appropriations for such general public works, including roads; and,

WHEREAS, Oconee County Council has heretofore, by and through Chapter 26 ("Roads and Bridges") of the Oconee County Code of Ordinances (the "County Code"), provided for certain policies, procedures, fees, and other funding pertaining to the roads and bridges portion of the public works program of Oconee County; and,

WHEREAS, Oconee County Council deems it necessary and proper to amend certain sections of the Oconee County Code of Ordinances from time to time to modify County policies and procedures to comport with changed and changing needs, or simply to reflect existing practical applications of policies and procedures; and,

WHEREAS, it has come to the attention of Oconee County Council that certain revisions need to be made in Chapter 26 of the County Code, to meet the needs of the County as to the safety of the public utilizing Oconee County roads and bridges, to assure that the necessary provision of Oconee County roads and bridges, including signage, encroachment, and construction, provide for the proper health and safety of the Oconee County public, are funded by those benefiting from such signage, encroachment, or inspection, and are consistent with other Oconee County policies and procedures, already codified; and,

WHEREAS, the County Engineer and the Roads and Bridges Department of the County have recommended several changes to Chapter 26 of the Oconee County Code of Ordinances, so as to: amend the road construction inspection procedures and establish policies for the County to

be reimbursed for the cost of such inspections; revise the Oconee County encroachment permit policy and procedures; and, revise the Oconee County road signage procedures, so as to provide for the funding for such policies and procedures. Oconee County Council has reviewed the needs, in each instance, has determined that such needs are legitimate and serve the public purposes and best interests of Oconee County; and has determined to modify the respective sections of Chapter 26 of the Oconee County Code of Ordinances as requested, and to affirm and preserve all other provisions of the Oconee County Code of Ordinances not specifically or by implication amended hereby.

NOW, THEREFORE, it is hereby ordained by the Oconee County Council, in meeting duly assembled, that:

1. The foregoing findings of fact, recommendations, and conclusions are hereby adopted, as findings of fact, supporting this ordinance, in their entirety.

2. Chapter 26 of the Oconee County Code of Ordinances is hereby modified and amended as follows, and in the following details, only:

A. Section 26-3(f)(15) of the County Code is deleted in its entirety and Section 26-3(f)(16) of the County Code is hereby renumbered as Section 26-7(b), amended, and moved to Section 26-7 of the County Code, as reflected herein.

B. Section 26-7 of the County Code is hereby amended to read as follows:

Section 26-7 Regulating the use of county roads.

(a) Connection to, or easements or rights-of-way on County Roads.

Notwithstanding any other provision of this Code, all connections to county roads, whether temporary or permanent, such as, without limitation, driveway cuts, logging or construction cuts, roadway intersections, and every other form of connection, must be approved in writing, in advance of any such connection, temporary or permanent, by the County Engineer, in accordance with Section 26-3(e)(10) hereof.

The County may only authorize encroachments or grant easements or rights-of-way, for any purpose, on those County roads for which it owns the right to do so, such as on rights-of-way deeded to the County in fee simple title. For other roads, such as those for which the County owns less than fee simple title, such as roads for which the County has only prescriptive easements, the County may only grant encroachments, easements, and rights-of-way consistent with its interests. Any encroachment, easement or right-of-way granted by the County on a County road must be approved in writing by the county engineer after making a full investigation of the matter and considering all factors, including the applicant's needs, as well as the needs of the County, including, without limitation, good engineering standards, the need to maintain county rights-of-way and keep them open, the convenience of the traveling public, and

other similar professional considerations. If the county engineer approves such encroachments, easements, or rights-of-way, the easements or rights-of-way may only be granted by County Council, by ordinance, following a public hearing as a conveyance of interests in real property. The County Engineer may approve encroachments properly undertaken in accordance with this chapter.

(h) *Work on County right-of-way*

Property owners adjoining the County road right-of-way may request that the county perform work within the right-of-way to install new driveway aprons, mailbox turnouts, and/or culverts within the county maintained right-of-way. The County, at its sole discretion, may elect to perform such work on a first pay, first scheduled, time-available basis. If the County performs such work, the property owner shall pay 2.5 times the material costs to cover the material cost and labor for said project. The property owner shall sign a hold harmless agreement releasing the County from any liability associated with said work, in advance of scheduling the project. If the County constructs such driveway aprons, mailbox turnout, or culverts within the county right-of-way, such work will be maintained by the County as a part of the County road system from that point.

The county engineer, or his designee will provide a nonbinding, cost estimate for the material cost of the project. Special services or equipment needed to complete the job will be billed as invoiced by the contractor or vendor providing the special service or equipment.

(i) *Drainage*

(1) Property owners adjoining the road right-of-way may request that the county perform work to assist the property owner with a drainage problem. The county may, at its sole discretion, construct berms, swales and/or ditches, or install pipe along the county maintained road right-of-way. The property owner shall pay 2.5 times the material costs to cover the material cost and labor for said project. The property owner shall sign a hold harmless agreement releasing the county from any liability associated with future drainage problems, in advance of the county considering and scheduling such project. Such projects will be scheduled, if at all, on a first pay, first scheduled, time-available basis and will be maintained by the County, as a part of the County road system from that point.

(2) The county engineer or his designee, will provide a cost estimate for the material costs of the project. Special services or equipment needed to complete the job will be billed as invoiced by the contractor or vendor providing the special service or equipment.

(3) The county cannot assist in any drainage matter outside of the road right-of-way, and may only perform work within the county right-of-way.

(4) No property owner or any other person shall modify any drainage in any manner that affects a county road without the written approval, in advance, of the county engineer.

(d) *Damages.*

(1) Any person, entity or utility that engages in an activity which causes damage to a county road or road structure shall be responsible for repairing said county road or road structure to SCDOT standard specifications for highway construction. This does not include normal wear and tear to a road caused by normal use of said road.

(2) Any person driving, operating or moving any vehicle, object or contrivance upon any county road or road structure shall be liable for any damage which road or structure may sustain as a result of dragging, scraping, breaking or any other damage done to said road or structure. Any such persons will also be liable to the county for the cost of such injury or damage.

(e) *Encroachments.*

(1) All persons desiring to excavate within, encroach upon, or in any way alter a county maintained road and/or right-of-way, shall notify the county engineer and submit to the county road department an application for an encroachment permit, together with the required fees and security as determined and established periodically by county council. Notice will be given by the applicant to the County at least 48 hours prior to initiating such work, and only after receiving an approved permit from the county. A schedule of required fees and securities shall be available for review from the county road department. No person may excavate within, encroach upon, or in any way alter a county maintained road or right-of-way without the written approval, in advance, by approved permit, of the county engineer. In determining whether to approve any such request, and issue a permit, the county engineer will consider all factors, including the needs of the applicant, as well as the needs of the county, including, without limitation, good engineering standards, the need to maintain county rights-of-way and keep them open, the convenience of the traveling public, and other similar professional considerations. The county engineer may impose restrictions on any granted approval and permit under this section, consistent with such professional considerations.

(2) Upon completing the permitted activity, the applicant shall restore the county maintained road and/or right-of-way to its original condition (except for any permanent alteration approved by county permit, and through a county-granted right-of-way or easement), insuring that all repairs conform to the requirements contained in the SCDOT standard specifications for highway construction. Eighteen months after the

permitted activity, the security shall be returned to the applicant provided the county engineer, upon final inspection, approves the repair. If the county engineer deems the repair to be unacceptable, the security shall be retained by the county and used to properly repair and restore the road and/or right-of-way to its original condition. Once the road and/or right-of-way has been properly repaired, any excess security will be returned to the applicant, it being understood that, in one form or another, all costs of encroachment upon, or any alteration of a county maintained road or right-of-way shall be borne by the applicant.

(3) Driveway aprons and mailbox turnouts abutting county maintained roads are encroachments, subject to the provisions of this section, and will be the responsibility of the property owner, as to construction and maintenance, subject to the provisions of Section 26-7(b), and subject to the caveat that if the county constructs or manages a road project, driveway aprons and mailbox turnouts may be part of the project, subject to the terms of such Section 26-7(b).

(f) *Road safety.*

(1) All persons shall park vehicles and equipment at least three feet from the edge of the driving surface on all roads. Parked vehicles and equipment shall not block ditches and swales or in any way inhibit drainage.

(2) No person shall place any type of material within three feet of the driving surface.

(3) No person shall place a sign on a road in the county that will restrict visibility or inhibit sight lines of drivers.

(4) Signs (other than those regulated by state or federal law, such as political signs) remaining in place for more than seven days on county roads, will require an encroachment permit from the county road department.

(g) *Inspections.*

A developer/owner or any other affected entity shall notify the county engineer at least 48 hours prior to any requested inspection required by this chapter for public or private roads. Inspection fees, for such inspections, shall be established by resolution, ordinance or other official act of County Council from time to time, and must be paid, in full, before the County will finally accept the road(s) in question. All such fees, once paid, shall be maintained by the County in a separate account used only for the road inspection program of the county, and will only be in such amount(s) as will be sufficient to maintain such program. Work done prior to inspection is done at the contractor's and owner's own risk and may, upon decision of the county engineer or designee, be required to be

removed and replaced or have the quality substantiated by any tests deemed necessary, all at the contractor's and/or owner's sole expense. Inspections shall be required for the following:

- (a) At the completion of clearing and grubbing operations;
- (b) At the completion of rough grading;
- (c) At the completion of all utility construction along road right-of-way (including but not limited to water, sewer, electrical);
- (d) At the completion of subgrade;
- (e) After installation and compaction of base course;
- (f) During all pavement applications; and
- (g) At final acceptance inspection.

(b) *Penalties.* Failure to comply with any of the requirements of this article constitutes a misdemeanor and shall be punishable as set forth in Section 1-7. In addition, in the event that the county must file a civil suit in order to enforce its rights under this article, the county shall be entitled to reasonable attorney's fees.

C. Section 26-107 of the County Code is hereby amended to read as follows:

Section 26-107 Road signage.

(a) All road signage shall meet the standards put forth in the Federal Highway Administration's Manual of Uniform Traffic Control Devices, and policies outlined in the "Oconee County Road Naming and Addressing Policies".

(b) Appropriate fees may be established by resolution, ordinance or other official act of county council from time to time to cover costs related to road signage.

(c) All costs associated with the installation of signage in a new subdivision shall be borne by the developer/owner.

(d) All costs associated with changing signage on an existing road for nonemergency related reasons shall be paid by the party initiating the change.

3. All other parts and provisions of the Oconee County Code of Ordinances not amended hereby, either explicitly or by implication, remain in full force and effect.

4. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.

5. All ordinances, orders, resolutions, and actions of Oconee County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded.

6. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by Oconee County Council.

ORDAINED in meeting, duly assembled, this _____ day of _____, 2010.

ATTEST:

Elizabeth Hulse,
Clerk to Oconee County Council

Reginald Dexter,
Chairman, Oconee County Council

First Reading: April 20, 2010
Second Reading: June 15, 2010
Third Reading: July 1, 2010
Public Hearing: July 1, 2010

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2010-23**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND U.S. ENGINE VALVE CORPORATION; AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 17, Chapter 44 (the "Act") of the Code of Laws of South Carolina, 1976, as amended (the "Code"), to acquire, construct, or cause to be acquired or constructed by lease or otherwise, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry or business providing for the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; to provide for payment of a fee in lieu of taxes pursuant to the Act; and to accept any grants for such projects through which powers the industrial development of the State of South Carolina (the "State") and will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, the County is authorized by the Act to execute a fee in lieu of tax agreement, as defined in the Act, with respect to any such project; and

WHEREAS, U.S. Engine Valve Corporation, a general partnership between Eaton Corporation and U.S. Nissan duly organized under the laws of the State of Delaware (the "Company"), has requested the County to participate in executing an Inducement Agreement and Millage Rate Agreement, and a Fee Agreement pursuant to the Act for the purpose of authorizing and of acquiring and expanding, by construction and purchase, certain land, a building or buildings, and machinery, apparatus, and equipment, for the purpose of the development of a manufacturing facility (the "Project") in which the minimum level of new taxable investment will be not less than Fifteen Million Dollars (\$15,000,000) in qualifying fee in lieu of tax investment by the end of the fifth (5th) year following the year of execution of the Fee Agreement, which will be maintained, without regard to depreciation, in accordance with the Act and the Inducement Agreement, all as more fully set forth in the Fee Agreement attached hereto; and

WHEREAS, the Company has requested that the County provide an infrastructure tax credit of twenty percent (20%) of the Company's fee in lieu of tax liability for the Project for a term of ten (10) years (the "Infrastructure Tax Credit") commencing only if and when the Company's investment in new, taxable property in the Project equals or exceeds \$23,000,000 within the initial five (5) years of investment.

Section 1. In order to promote industry, develop trade and utilize and employ the manpower, agricultural products and natural resources of the State by assisting the Company to expand a manufacturing facility in the State, and acquire by acquisition or construction a building or buildings and various machinery, apparatus, and equipment, all as a part of the Project to be utilized for the purpose of a manufacturing facility, the execution and delivery of a Fee Agreement with the Company for the Project is hereby authorized, ratified and approved. Further, the Fee Agreement shall provide for an Infrastructure Tax Credit of twenty percent (20%) of the Company's fee in lieu of tax liability for the Project for ten (10) years, upon the terms and upon satisfying the conditions required herein and in the Fee Agreement.

Section 2. It is hereby found, determined and declared by the County Council, as follows:

(a) Based solely upon representations of the Company, the Project will constitute a "project" as said term is referred to and defined in the Act, and the County's actions herein will subservise the purposes and in all respects conform to the provisions and requirements of the Act.

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County.

(c) The terms and provisions of the Inducement Agreement and Millage Rate Agreement are hereby incorporated herein and made a part hereof.

(d) The Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally.

(e) The Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either.

(f) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes.

(g) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and

(h) The benefits of the Project will be greater than the costs.

Section 3. The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially its form now before this meeting and hereby approved, or with such minor changes

therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement and this Ordinance.

Section 5. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 6. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Section 7. The County hereby agrees to waive, to the full extent allowed by law, the requirements of Section 12-44-55 of the Act with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings required by the Act and provide copies thereof to the County.

Passed and approved this _____ day of July, 2010

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Reginald T. Dexter, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulsa, Clerk to County Council
Oconee County, South Carolina

First Reading: June 1, 2010
Second Reading: June 15, 2010
Public Hearing: July 6, 2010
Third Reading: July 6, 2010

U.S. Engine Valve



U. S. Engine Valve Company



History of U.S. Engine Valve

- Plant purchased in 1987
- First shipment in 1989
- 129 Acres of land – 17 Fenced
- 135,000 Sq. Feet / 12,540 Sq. meters
- 207 Associates
- 16 Machine Lines
- "USEV Philosophy" Plant
 - All salaried workforce
 - Trust and respect
 - Open door policy
 - Employee engagement

U. S. Engine Valve Company



**Eaton Corp and Nittan Valve Co.
established a partnership in USEV**

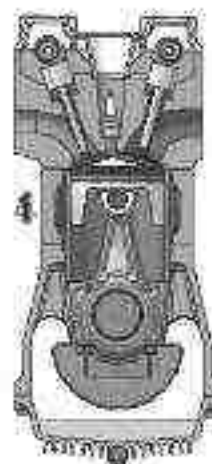
2008
Eaton: 49%
Nittan: 51%



U. S. Engine Valve Company



**USEV produces engine valves for
Asian Automobile Companies**



U. S. Engine Valve Company



USEV's North American Customers



U. S. Engine Valve Company



USEV supplies all of the valves for Honda's production in the United States and all of Toyota's 4 cylinder valves

■ Honda

- Accord
- Civic
- Ridgeline
- Odyssey
- CR-V
- Pilot
- Element

■ Acura

- MDX
- TL
- RDX

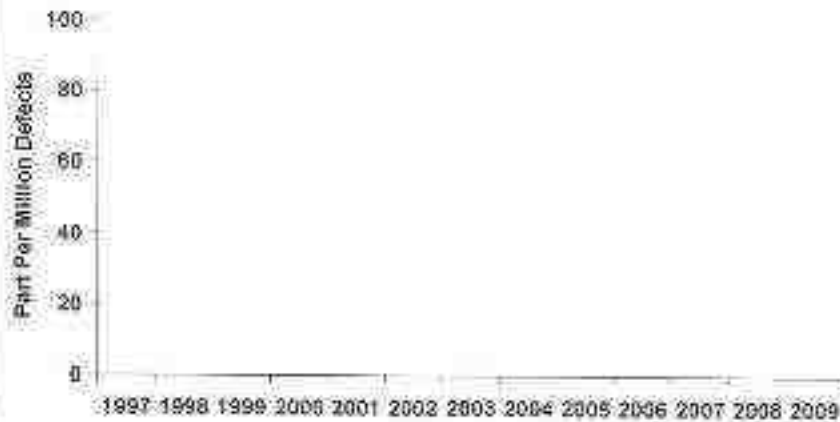
■ Toyota

- Corolla
- Camry
- Matrix
- Venza
- RAV4
- Highlander

U. S. Engine Valve Company



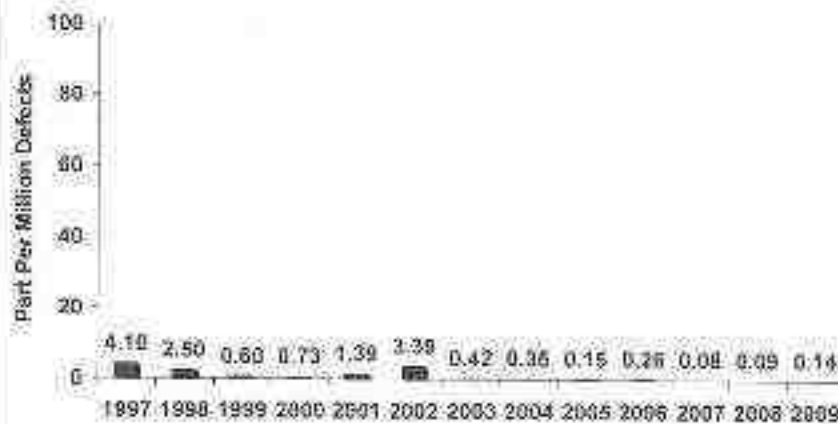
Key Performance Metrics - Customer Defect PPM By Year



U. S. Engine Valve Company



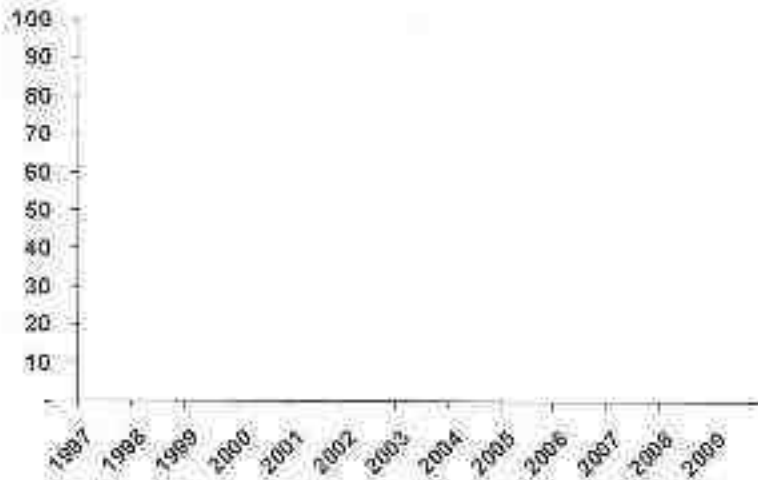
Key Performance Metrics - Customer Defect PPM By Year



U. S. Engine Valve Company



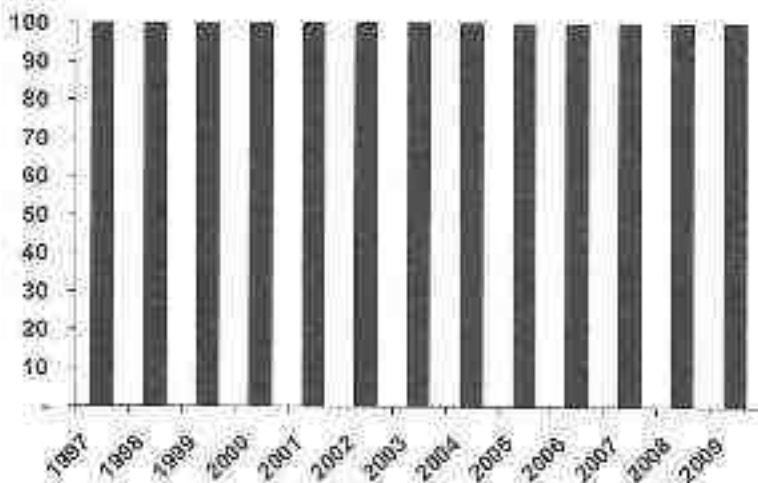
Key Performance Metrics – On Time Delivery Percentage



U. S. Engine Valve Company



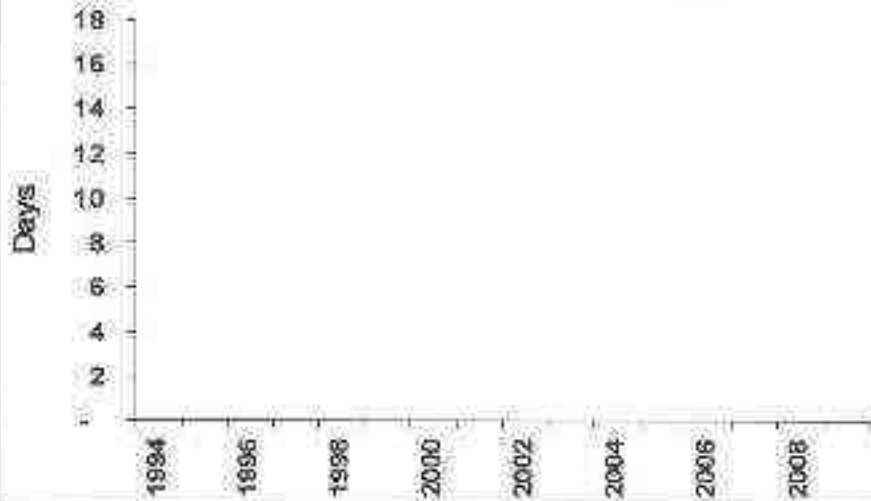
Key Performance Metrics – On Time Delivery Percentage



U. S. Engine Valve Company



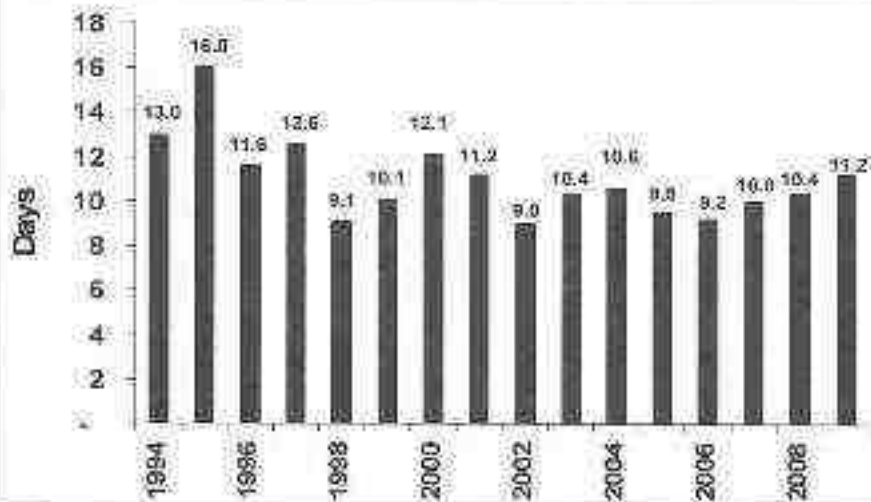
Key Performance Metrics – Days on Hand Inventory



U. S. Engine Valve Company



Key Performance Metrics – Days on Hand Inventory



U. S. Engine Valve Company



Customer Satisfaction

■ HONDA

- 1991 - Plant Manager's Award
- 1992 - Quality and Delivery Award
- 1993 - Quality and Delivery Award
- 1995 - Quality and Delivery Award
- 1996 - Quality and Delivery Award
- 1997 - Quality and Delivery Award
- 1998 - Delivery Performance and Productivity Improvement
- 1999 - Quality Performance and Productivity Improvement Award
- 2000 - Quality Performance and Productivity Improvement Award
- 2002 - Productivity Improvement Award
- 2004 - Quality and Delivery Performance Award
- 2004 - Environmental Recognition Award
- 2005 - Quality and Delivery Performance Award
- 2005 - Corporate Citizenship - First ever winner
- 2006 - Delivery Performance
- 2007 - Quality and Delivery Performance Award
- 2008 - Delivery Performance
- 2008 - Green Factory Awards
 - Conservation of Natural Resources, Energy Reduction, Pollution Prevention
- 2008 - Corporate Citizenship - First ever two time winner



U. S. Engine Valve Company



Customer Satisfaction

■ TOYOTA

- 1992 - Excellent Quality Performance
- 1993 - Superior Quality and Excellent Delivery Performance
- 1994 - Superior Quality and Excellent Delivery Performance
- 1995 - Superior Quality and Excellent Delivery Performance
- 1996 - Superior Quality and Excellent Delivery Performance
- 1997 - Superior Quality and Excellent Delivery Performance
- 1998 - Superior Quality and Excellent Delivery Performance
- 1999 - Superior Quality and Excellent Delivery Performance
- 2000 - Superior Quality and Excellent Delivery Performance
- 2001 - Superior Quality and Excellent Delivery Performance
- 2002 - Superior Quality and Excellent Delivery Performance
- 2003 - Superior Quality and Superior Delivery Performance
- 2004 - Superior Quality and Superior Delivery Performance
- 2005 - Superior Quality and Superior Delivery Performance
- 2006 - Superior Quality and Superior Delivery Performance
- 2007 - Superior Quality Performance**
- 2008 - Excellent Quality Performance**
- 2009 - Excellent Quality Performance**



** Toyota ranked Toyota as the best in class for 2007, 2008 and 2009. ** Toyota ranked Toyota as the best in class for 2007, 2008 and 2009.

U. S. Engine Valve Company



Employee lead teams at USEV

- **Communication and Engagement Team**
 - 75% of our Plant has actively participated
- **Production Kaizen Teams**
 - Root Hunters
 - Induction Hardening
 - 3-R's
 - Root Diameter
 - Camera Vision
 - Risk Packer
 - Blam Row
- **WAIT (Wildlife and Industry Together) Certified**
 - Jan. 2007 – awarded RCVF Wildlife & Industry Together Award
- **USEV Diversity Council**
 - Nominee for SC Diversity Award in 2005 & 2006
- **Safety Committee**
 - 1 out of 7 USEV associates actively participate on this team
- **Wellness Team**
 - Health Risk Assessments and follow-up programs (Weight Watchers and Smoker's Cessation)

U. S. Engine Valve Company



Community Involvement



Westminster Elementary – Teaching Diversity



Hearts for Haiti



Tri-County Tech Wall of Fame

Environmental Health and Safety Week



Community Recognition

- 2002 SC Silver Crescent for Manufacturing
- 2006 SC Silver Crescent for Manufacturing
- 2009 Finalist SC Silver Crescent for Manufacturing
- 2010 Finalist SC Silver Crescent for Manufacturing
- Eator Excellence in Diversity Award
 - Customer Innovation & Impact 2008
 - Workforce Involvement 2007 & 2008
 - Community Involvement 2008
- 2008 Excellence in Workplace Diversity Award – South Carolina Chamber of Commerce
 - Nominee in 2007 & 2009
- South Carolina Wildlife & Industry Awards (WAI)
- Bootsie Manning Wildlife Habitat Conservation Award

Measures of Success

Only company to win Honda's Corporate Citizenship Award twice



U.S. Engine Valve



U. S. Engine Valve Company



Cost/Benefit Analysis
Project Gold Dust
Oconee County

Project Data

New Building (Construction)	\$	-
Existing Building	\$	300,000
Land Cost	\$	-
Equipment (Less Pollution Control)	\$	18,400,000
Employees		11
Avg. Hourly Wage	\$	17.46
Avg. Salary	\$	34,920
Total Direct Payroll	\$	384,120

Project Multipliers

Income		1.00
Investment -- Construction		1.50
Investment -- Machinery		0.20

Employment Impacts

Employment -- Direct		11
Employment -- Indirect		0
<u>Total Employment Impact</u>		<u>11</u>

Net Costs

	Year 1	20-Year NPV
Local	\$ 38,383	\$ 245,368
<u>Total State & Local Costs</u>	<u>\$ 38,383</u>	<u>\$ 245,368</u>

Net Benefits

Local	\$ 214,326	\$ 1,066,692
Local Economy	\$ 7,361,544	\$ 9,657,203
<u>Total Local Benefits</u>	<u>\$ 7,575,870</u>	<u>\$ 10,723,896</u>

	Year 1	20-Year NPV
Local Government Costs		
Fee-in-Lieu-of Property Taxes	\$ 35,200	\$ 317,754
MCP Split	\$ 2,481	\$ 12,400
Special Source	\$ -	\$ -
Gov't Services	\$ 165	\$ 13,732
Education Costs	\$ 537	\$ 2,482
Site Acquisition	\$ -	\$ -
Site Preparation	\$ -	\$ -
Site Utilities	\$ -	\$ -
Special Infrastructure	\$ -	\$ -
Equipment / Machinery	\$ -	\$ -
Special Development Financing	\$ -	\$ -
Consulting / Special Studies	\$ -	\$ -
Waived Fees / Permits	\$ -	\$ -
Streamlined Approvals	\$ -	\$ -
Total Value of Costs	\$ 38,383	\$ 345,368
Local Government Benefits		
Taxes from existing building	\$ 1,545	\$ 71,470
Direct Property Taxes	\$ 248,121	\$ 1,209,987
New Residential Prop. Taxes		
Single family - (Owner occupied)	\$ 0	\$ 54
Single Family - (Rental)	\$ 2	\$ 21
Multi-family (Rental)	\$ -	\$ -
Prop. Taxes from New Autos	\$ 38	\$ 322
LOST from Const. Materials	\$ -	\$ -
LOST from Increase Retail Sales	\$ -	\$ -
LOST from Operational Supplies	\$ -	\$ -
Public Utilities	\$ -	\$ -
Total Value of Benefits	\$ 252,709	\$ 1,312,061
Net Local Benefits	\$ 214,326	\$ 1,066,692
Local Benefit/Cost Ratio	6:1	4:1
Local Economy Benefits		
Total Private Sector Benefits	\$ 7,361,544	\$ 9,657,207

Project Name:

Project Goal: Drive

County

Manufacturing (Business)

Site #:

Investment & Operations

New Building (Car washes)

Existing Building

Land Cost

Equipment (1000 New/1000 Existing)

Utilities (Electricity, Water)

Annual salaries (excluding trucking supplies)

35

3

3

3

3

3

3

3

3

3

3500,000

12,000,000

0

0

0

0

0

0

0

0

0

0

0

Employment

Employees

Pay (Yearly Wage)

50% Salaries

New Direct Spend

Total Direct & Indirect Payroll

Percent New Spend

35

35

35

35

35

35

0

27,400

34,820

584,120

584,120

1%

Employment Impacts

Employment - Total

Employment - Indirect

Total Employment Impact

Discriminatory

0

0

0

0

0

Taxes

Multi-county Tax (Yes/No)

Economic Impact Zone (Yes/No)

Is "Be in the Market" utilized?

III. FTA (2) - Assessed on 1/1/15

IV. FTA (1) - Is millage levied (Yes/No)

Special Source? (Yes/No)

LA-86 (Yes/No)

0/0

0/0

0/0

0/0

0/0

0/0

0/0

0/0

Local Government Cum See Appendix

See Appendix

See Appendix

See Appendix

See Appendix

See Appendix

See Appendix

See Appendix

See Appendix

See Appendix

Year 1

Year 2

Year 3

Year 4

Year 5

Year 6

Year 7

Year 8

Year 9

Year 10

Year 11

Year 12

Year 13

Year 14

Year 15

Year 16

Year 17

Year 18

Year 19

Year 20

Project Multipliers

Construction Multiplier

Investment - Construction

Investment - Machinery

Employment (Total Jobs - Direct Jobs)

Average Annual Salary (Space of Interest)

0.9

1.05

1.05

0.20

1.03

326,896

General County Information

	71,271	County Population
	31,675	County Per Capita Income
\$	42,485,855	County Operating Budget (not including schools)
	595.09	Average Per Capita Cost for County Services
	0%	Local Option Sales Tax Rate (0.5% or 2%)
	1%	Multi-county Park Split
\$	1,001,478,000	Gross Retail Sales in County
\$	14,037	Per Capita Retail Sales
\$	5.44	Retail Sales per \$85 of Income
	0.072	County Ordinary Millage
	0.144	Millage other than County Ordinary
	1.0%	Annual Millage Growth
\$	5,120	Assessed Value for Average Single Family Home
\$	7,680	Assessed Value of Rental Property
\$	-	Assessed Value of Multi-Family housing
	79%	% Residents that Own
	21%	% Residents that Rent
	0%	% Residents in multi-family housing
	2.51	Average Number of Persons per Household
	0.54	Average Number of School Age Children Per Household
	9,045	Average Local Public School Cost Per Pupil
\$	3,293	Average State Cost Per Pupil
	.3%	Inflation factor
\$	15,000	Average cost of an automobile
	50%	% Construction materials bought locally
	80%	% Operating materials bought locally

Property Taxes

Equipment	\$	18,900,000	Unit: Real Assessment: 10.5%	Other Real Assessment: 10.5%	Other Real Assessment: 10.5%
Depreciation rate (Maximum depreciation)		0.11	Unit: Real Assessment: 6.0%	Other Real Assessment: 6.0%	Other Real Assessment: 6.0%
Annual Dep. Rate	\$	2,079,000	Unit: Real Assessment: 6.0%	Other Real Assessment: 6.0%	Other Real Assessment: 6.0%
Real Assessment			Unit: Real Assessment: 6.0%	Other Real Assessment: 6.0%	Other Real Assessment: 6.0%
Personal Assessment			Unit: Real Assessment: 6.0%	Other Real Assessment: 6.0%	Other Real Assessment: 6.0%

Year	Real Property	Personal Property	Real Assessment	Personal Assessment	Total Assessment Value	Applicable FIDT Millage	Total Millage	TOTAL Payment
1	\$ 16,376,000	\$ 14,789,000	6.0%	6.0%	\$ 987,560	0.2167	0.2167	\$ 212,921
2	\$ 14,789,000	\$ 13,302,000	6.0%	6.0%	\$ 861,120	0.2167	0.2167	\$ 186,065
3	\$ 13,302,000	\$ 11,815,000	6.0%	6.0%	\$ 734,680	0.2167	0.2167	\$ 160,200
4	\$ 11,815,000	\$ 10,328,000	6.0%	6.0%	\$ 608,240	0.2167	0.2167	\$ 134,335
5	\$ 10,328,000	\$ 8,841,000	6.0%	6.0%	\$ 481,800	0.2167	0.2167	\$ 108,470
6	\$ 8,841,000	\$ 7,354,000	6.0%	6.0%	\$ 355,360	0.2167	0.2167	\$ 82,605
7	\$ 7,354,000	\$ 5,867,000	6.0%	6.0%	\$ 228,920	0.2167	0.2167	\$ 56,740
8	\$ 5,867,000	\$ 4,380,000	6.0%	6.0%	\$ 102,480	0.2167	0.2167	\$ 30,875
9	\$ 4,380,000	\$ 2,893,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
10	\$ 2,893,000	\$ 1,406,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
11	\$ 1,406,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
12	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
13	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
14	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
15	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
16	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
17	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
18	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
19	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010
20	\$ 0,000,000	\$ 0,000,000	6.0%	6.0%	\$ 116,040	0.2167	0.2167	\$ 25,010

Year	Real Property	Personal Property	Real Assessment	Personal Assessment	Total	Applicable Millage	Prepayment Liability
1	\$ 16,376,000	\$ 14,789,000	6.0%	6.0%	\$ 212,921	0.144	\$ 245,161
2	\$ 14,789,000	\$ 13,302,000	6.0%	6.0%	\$ 186,065	0.146	\$ 219,809
3	\$ 13,302,000	\$ 11,815,000	6.0%	6.0%	\$ 160,200	0.147	\$ 194,457
4	\$ 11,815,000	\$ 10,328,000	6.0%	6.0%	\$ 134,335	0.148	\$ 169,105
5	\$ 10,328,000	\$ 8,841,000	6.0%	6.0%	\$ 108,470	0.150	\$ 143,753

Year	Real Property	Total Assessment	Total Mills	House Mills	Applicable Millage	Property Tax January
1	300,000	10.5%	0.217	0.0221	0.194	\$ 4,565
2	300,000	10.5%	0.219	0.072	0.146	\$ 4,391
3	300,000	10.5%	0.221	0.074	0.147	\$ 4,337
4	300,000	10.5%	0.223	0.075	0.149	\$ 4,283
5	300,000	10.5%	0.225	0.075	0.150	\$ 4,230
6	300,000	10.5%	0.228	0.075	0.153	\$ 4,174
7	300,000	10.5%	0.230	0.075	0.150	\$ 4,141
8	300,000	10.5%	0.232	0.075	0.152	\$ 4,108
9	300,000	10.5%	0.235	0.075	0.155	\$ 4,075
10	300,000	10.5%	0.237	0.075	0.157	\$ 4,042
11	300,000	10.5%	0.240	0.075	0.160	\$ 4,009
12	300,000	10.5%	0.242	0.075	0.162	\$ 3,976
13	300,000	10.5%	0.244	0.075	0.164	\$ 3,943
14	300,000	10.5%	0.247	0.075	0.167	\$ 3,910
15	300,000	10.5%	0.249	0.075	0.169	\$ 3,877
16	300,000	10.5%	0.252	0.075	0.172	\$ 3,844
17	300,000	10.5%	0.254	0.075	0.174	\$ 3,811
18	300,000	10.5%	0.257	0.075	0.177	\$ 3,778
19	300,000	10.5%	0.259	0.075	0.179	\$ 3,745
20	300,000	10.5%	0.262	0.075	0.182	\$ 3,712

Existing Budgeting

Year	Real Property	Total Assessment	Total Mills	House Mills	Applicable Millage	Property Tax January
1	300,000	10.5%	0.217	0.0221	0.194	\$ 4,565
2	300,000	10.5%	0.219	0.072	0.146	\$ 4,391
3	300,000	10.5%	0.221	0.074	0.147	\$ 4,337
4	300,000	10.5%	0.223	0.075	0.149	\$ 4,283
5	300,000	10.5%	0.225	0.075	0.150	\$ 4,230
6	300,000	10.5%	0.228	0.075	0.153	\$ 4,174
7	300,000	10.5%	0.230	0.075	0.150	\$ 4,141
8	300,000	10.5%	0.232	0.075	0.152	\$ 4,108
9	300,000	10.5%	0.235	0.075	0.155	\$ 4,075
10	300,000	10.5%	0.237	0.075	0.157	\$ 4,042
11	300,000	10.5%	0.240	0.075	0.160	\$ 4,009
12	300,000	10.5%	0.242	0.075	0.162	\$ 3,976
13	300,000	10.5%	0.244	0.075	0.164	\$ 3,943
14	300,000	10.5%	0.247	0.075	0.167	\$ 3,910
15	300,000	10.5%	0.249	0.075	0.169	\$ 3,877
16	300,000	10.5%	0.252	0.075	0.172	\$ 3,844
17	300,000	10.5%	0.254	0.075	0.174	\$ 3,811
18	300,000	10.5%	0.257	0.075	0.177	\$ 3,778
19	300,000	10.5%	0.259	0.075	0.179	\$ 3,745
20	300,000	10.5%	0.262	0.075	0.182	\$ 3,712

Hourly Rate		%	Annual Salary	
\$0.00	\$7.17	0%	\$0.00	\$14,513.60
\$7.18	\$9.57	25%	\$14,934.40	\$15,905.60
\$9.58	\$11.96	3%	\$19,950.40	\$24,876.80
\$11.97	\$17.85	4%	\$24,397.60	\$37,336.00
\$17.86	greater	5%	\$37,350.80	over

20	2.15
21	2.00
22	2.50
23	2.00
24	2.10
25	2.00
26	2.00
27	2.00
28	2.00
29	2.00
30	2.30
31	2.00
32	2.00
33	2.00
34	2.00
35	2.00
36	2.00
37	2.10
38	2.00
39	2.00
50	2.00
51	2.00
60	2.00

Jobs Tax Credits

Tier	JTC	JDC	RIF	
1 \$	8,000	100%		0
2 \$	4,500	100%		0
3 \$	3,600	85%	#REF!	
4 \$	2,500	70%	#REF!	
5 \$	1,500	55%	#REF!	
County value		#REF!		
MCP		100%		
Total		#REF!		

Economic Impact Zone

44,800 \$ 44,160

Cost/Benefit Analysis
Project Gold Dust
Oconee County

Project Data

New Building (Construction)	\$	1,000,000
Existing Building	\$	300,000
Land Cost	\$	-
Equipment (Less Pollution Cor.)	\$	21,700,000
Employees		32
Avg. Hourly Wage	\$	16.08
Avg. Salary	\$	32,160
Total Direct Payroll	\$	1,029,120

Project Multipliers

Income		1.00
Investment - Construction		1.00
Investment - Machinery		0.20

Employment Impacts

Employment - Direct		32
Employment - Indirect		0
<u>Total Employment Impact</u>		<u>32</u>

Net Costs

	Year 1	20-Year NPV
Local	\$ 110,337	\$ 700,048
<u>Total State & Local Costs</u>	<u>\$ 110,337</u>	<u>\$ 700,048</u>

Net Benefits

Local	\$ 202,316	\$ 1,073,795
Local Economy	\$ 9,844,492	\$ 16,597,837
<u>Total Local Benefits</u>	<u>\$ 10,046,598</u>	<u>\$ 17,671,631</u>

	Year 1	20-Year NPV
Local Government Costs		
Fee-in-Lieu of Property Taxes	\$ 43,663	\$ 34,322
NCP Split	\$ 3,078	\$ 17,009
Special Source	\$ 61,554	\$ 276,607
Gov. Services	\$ 679	\$ 39,941
Education Costs	\$ 1,263	\$ 21,767
Site Acquisition	\$ -	\$ -
Site Preparation	\$ -	\$ -
Site Utilities	\$ -	\$ -
Special Infrastructure	\$ -	\$ -
Equipment / Machinery	\$ -	\$ -
Special Development Financing	\$ -	\$ -
Consulting / Special Studies	\$ -	\$ -
Waived Fees / Permits	\$ -	\$ -
Streamlined Approvals	\$ -	\$ -
Total Value of Costs	\$ 110,337	\$ 700,048
Local Government Benefits		
Taxes from existing building	\$ 4,545	\$ 71,470
Direct Property Taxes	\$ 307,777	\$ 1,700,624
New Residential Prop. Taxes		
Single Family - (Owner occupied)	\$ 11	\$ 156
Single Family - (Rental)	\$ 6	\$ 62
Multi Family (Rental)	\$ -	\$ -
Prop. Taxes from New Autos	\$ 129	\$ 1,321
LOST from Const. Materials	\$ -	\$ -
LOST from Increase Retail Sales	\$ -	\$ -
LOST from Operational Supplies	\$ -	\$ -
Public Utilities	\$ -	\$ -
Total Value of Benefits	\$ 312,443	\$ 1,773,893
Net Local Benefits	\$ 202,106	\$ 1,073,795
Local Benefit/Cost Ratio	2:1	3:1
Local Economy Benefits		
Total Private Sector Benefits	\$ 9,844,492	\$ 16,595,837

Project Name: Project Capital Pump
County: Colusa County
Manufacturing type and size: SR 22

Investment & Operations

Non-Exhaustive / Continuous and
 Recurring Spending:
 Land Cost
 Equipment Costs (including Contingency)
 All types of "single use only"
 Annual estimated cost of operational supplies

3
 3
 3
 3
 3
 3

Project Milestones
 (Use lowest Multipliers)
 Machine
 Investment - Equipment per
 Investment - Machinery
 Employment (Direct jobs + Indirect Jobs)
 County Annual Salary (Spas. in County)

40
 0.00
 0.00
 0.20
 1.00
 \$26,295

Employment

Employees
 Available Work
 Avg. Salary
 Total Direct Payroll
 Total Direct & Indirect Payroll
 Average Non-Resident

3
 3
 3
 3

Employment Impacts
 Employment - Direct
 Employment - Indirect
 Total Employment Impact
 Discount Rate

32
 0
 32
 6.57%

Taxes

Reliability Risk (Yearly)
 Economic Impact Zone (Was Not
 Available in this estimate offered)
 H. HLOA Assessment
 (FHEOT) (to be verified) (Yes/No)
 Special Source (SR)
 (2023/2024)

3
 3
 3
 3
 3
 3

Year 1
 Year 2
 Year 3
 Year 4
 Year 5

Yes
 Yes
 Yes
 Yes
 No
 No

Local Government Contribution

Site Assistance
 Site Utilities
 Special Incentives
 Equipment Machinery
 System Development Financing
 Providing Services / Special Supplies
 Waived Fees / Grants
 Subsidized Services

3
 3

Year 1
 Year 2
 Year 3
 Year 4
 Year 5

Yes
 Yes

General County Information

	71,274	County Population
	31,678	County Per Capita Income
\$	42,488,855	County Operating Budget (not including schools)
	596.09	Average Per Capita Cost for County Services
	0%	Local Option Sales Tax Rate (0.1%, or 2%)
	1%	Multi-county Park Split
\$	1,800,476,000	Gross Retail Sales in County
\$	14,037	Per Capita Retail Sales
\$	0.44	Retail Sales per \$55 of Income
	0.07%	County Ordinary Millage
	0.344	Millage other than County Ordinary
	1.0%	Annual Millage Growth
\$	8,120	Assessed Value for Average Single Family Home
\$	7,680	Assessed Value of Rental Property
\$	-	Assessed Value of Multi-Family housing
	70%	% Residents that Own
	21%	% Residents that Rent
	0%	% Residents in multi-family housing
	2.51	Average Number of Persons per Household
	0.54	Average Number of School-Age Children Per Household
	3,045	Average Local Public School Cost Per Pupil
\$	3,203	Average State Cost Per Pupil
	3%	Inflation factor
\$	15,000	Average cost of an automobile
	50%	% Construction materials bought locally
	80%	% Operating materials bought locally

Private Benefits	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Baseball - Direct	550,000	1,100,000	5,100,000	6,100,000	6,100,000	21,700,000	31,000,000	5,200,000	11,500,000
Baseball - Indirect	50	50	50	50	50	50	50	50	50
Retail activity (New Resident)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Retail activity (Additional Payoffs)	0	25,000	40,000	45,000	40,000	50,000	75,000	50,000	55,000
New Building - Direct	350,000	50	50	50	50	50	50	50	50
New Building - Indirect	350,000	50	50	50	50	50	50	50	50
Structures & Equipment - Direct	50,000,000	50	50	50	50	50	50	50	50
Structures & Equipment - Indirect	50,000,000	50	50	50	50	50	50	50	50
Total Direct Estimate	9,000,000	1,100,000	5,200,000	6,200,000	6,200,000	21,700,000	31,000,000	5,200,000	11,500,000

Property taxes:

Equipment	\$	75,700,000	Millage	0.02	0.02%	Other/Leak Assessment	0.25%
Depreciation	\$	5,170,000	Millage	0.11	0.05%	Starting Millage	0.2167
Maximum Depreciation	\$		Millage	0.08	0.05%		
Actual Dep. Rate							
Real Assessment							
Physical Assessment							

Year	Real Property	Personal Property	Real Assessment	Personal Assessment	Total Assessed Value	Applicable PILOT Millage	Total Millage	FLOOT Program
1	\$ 1,000,000	\$ 9,213,200	6.05%	6.05%	\$ 1,218,200	0.2567	0.7107	\$ 294,116
2	\$ 1,000,000	\$ 6,246,000	6.05%	6.05%	\$ 1,073,500	0.2567	0.3189	\$ 335,974
3	\$ 1,000,000	\$ 4,819,000	6.05%	6.05%	\$ 957,340	0.2567	0.2211	\$ 304,730
4	\$ 1,000,000	\$ 3,182,000	6.05%	6.05%	\$ 789,120	0.2567	0.2233	\$ 171,902
5	\$ 1,000,000	\$ 2,585,000	6.05%	6.05%	\$ 688,900	0.2567	0.2255	\$ 229,967
6	\$ 1,000,000	\$ 2,278,200	6.05%	6.05%	\$ 612,040	0.2567	0.2278	\$ 108,951
7	\$ 1,000,000	\$ 4,991,000	6.05%	6.05%	\$ 395,480	0.2567	0.2300	\$ 77,897
8	\$ 1,000,000	\$ 2,504,000	6.05%	6.05%	\$ 210,240	0.2567	0.2323	\$ 40,859
9	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2347	\$ 41,216
10	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2370	\$ 41,216
11	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2394	\$ 41,216
12	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2418	\$ 41,216
13	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2442	\$ 41,216
14	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2466	\$ 41,216
15	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2491	\$ 41,216
16	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2516	\$ 41,216
17	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2541	\$ 41,216
18	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2566	\$ 41,216
19	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2592	\$ 41,216
20	\$ 1,000,000	\$ 2,170,200	6.05%	6.05%	\$ 190,200	0.2567	0.2618	\$ 41,216

Year	Real Property	Personal Property	Real Assessment	Personal Assessment	Total millage	Applicable Millage	Excess Tax	Liability
1	\$ 1,000,000	\$ 9,213,200	10.55%	10.55%	0.217	0.344	\$	\$ 907,712
2	\$ 1,000,000	\$ 6,246,000	10.55%	10.55%	0.219	0.46	\$	\$ 254,322
3	\$ 1,000,000	\$ 4,859,000	10.55%	10.55%	0.221	0.47	\$	\$ 200,171
4	\$ 1,000,000	\$ 3,182,000	10.55%	10.55%	0.223	0.49	\$	\$ 268,311
5	\$ 1,000,000	\$ 2,585,000	10.55%	10.55%	0.225	0.50	\$	\$ 300,295

16	\$	1,000,000	\$	7,378,000	10.6%	0.07%	0.22%	1,225	\$	200,255
17	\$	1,000,000	\$	4,880,000	10.8%	0.6%	0.230	0.230	\$	141,792
18	\$	1,000,000	\$	2,654,000	10.9%	0.6%	0.232	0.232	\$	87,919
19	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.235	0.235	\$	76,105
20	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.237	0.237	\$	75,886
21	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.239	0.239	\$	76,078
22	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.247	0.247	\$	80,452
23	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.244	0.244	\$	81,756
24	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.247	0.247	\$	82,080
25	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.249	0.249	\$	82,400
26	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.257	0.257	\$	87,569
27	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.254	0.254	\$	84,716
28	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.257	0.257	\$	85,422
29	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.259	0.259	\$	86,270
30	\$	1,000,000	\$	2,170,000	10.9%	0.5%	0.262	0.262	\$	87,139

Existing Building

Year	Real Property	Real Assessment	Total (m/3)	Absolut M/3	Applies M/3	Exempt Tax Priority
1	\$	500,000	0.5%	0.0504	0.144	3 4,545
2	\$	500,000	0.5%	0.0504	0.145	3 4,561
3	\$	500,000	0.5%	0.0504	0.147	3 4,637
4	\$	500,000	0.5%	0.0504	0.149	3 4,683
5	\$	500,000	0.5%	0.0504	0.150	3 4,709
6	\$	500,000	0.5%	0.0504	0.228	3 5,174
7	\$	500,000	0.5%	0.0504	0.230	3 5,246
8	\$	500,000	0.5%	0.0504	0.237	3 5,378
9	\$	500,000	0.5%	0.0504	0.235	3 5,392
10	\$	500,000	0.5%	0.0504	0.277	3 7,066
11	\$	500,000	0.5%	0.0504	0.239	3 5,540
12	\$	500,000	0.5%	0.0504	0.247	3 5,676
13	\$	500,000	0.5%	0.0504	0.244	3 5,690
14	\$	500,000	0.5%	0.0504	0.247	3 5,760
15	\$	500,000	0.5%	0.0504	0.249	3 5,846
16	\$	500,000	0.5%	0.0504	0.257	3 5,985
17	\$	500,000	0.5%	0.0504	0.254	3 6,004
18	\$	500,000	0.5%	0.0504	0.257	3 6,080
19	\$	500,000	0.5%	0.0504	0.259	3 6,168
20	\$	500,000	0.5%	0.0504	0.262	3 6,245

Hourly Rate		%	Annual Salary	
\$0.00	\$0.17	0%	\$0.00	\$14,013.60
\$7.18	\$9.57	2%	\$15,934.40	\$19,908.60
\$9.58	\$11.95	3%	\$19,926.40	\$24,876.60
\$11.97	\$17.95	5%	\$25,887.60	\$37,556.60
\$17.95	greater	5%	\$37,356.40	over

20	2.15
21	2.00
22	2.50
23	2.00
24	2.10
25	2.00
26	2.00
27	2.00
28	2.00
29	2.00
30	2.30
31	2.00
32	2.00
33	2.00
34	2.00
35	2.00
36	2.00
37	2.10
38	2.00
39	2.00
50	2.00
51	2.00
80	2.00

Jobs Tax Credits

Tier	JTC	JDC	RIF	
1 \$	8,000	100%		0
2 \$	4,500	100%		0
3 \$	3,500	85%	#REF!	
4 \$	2,500	70%	#REF!	
5 \$	1,500	55%	#REF!	
County value		#REF!		
MCF		1000		
Total		#REF!		

Economic Impact Zone

520800 \$ 52,080

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2010-24

AN ORDINANCE TO AMEND THE AGREEMENT AUTHORIZED BY ORDINANCES NO. 2006-027, 2008-017 AND NO. 2010-04 RELATING TO THE INDUSTRIAL/BUSINESS PARK OF OCONEE AND PICKENS COUNTIES SO AS TO ENLARGE THE PARK.

WHEREAS, pursuant to Ordinance No. 2006-027 enacted on December 5, 2006 by Oconee County Council, Oconee County (the "County") entered into an Agreement for Development of Joint County Industrial and Business Park dated as of January 16, 2007 with Pickens County (the "Agreement"), which was subsequently amended by Ordinance No. 2008-17 enacted on October 21, 2008 by the County, resulting in the Agreement as amended by the First Amendment to the Agreement dated November 3, 2008, and by Ordinance No. 2010-04 enacted on May 4, 2010 by the County, resulting in the Agreement as amended by the Second Amendment to the Agreement dated May 4, 2010 (hereinafter collectively referred to as the "Park Agreement"); and

WHEREAS, pursuant to Section 3 of the Park Agreement, the boundaries of the park created therein (the "Park") may be enlarged pursuant to ordinances of the respective County Councils of the County and Pickens County; and

WHEREAS, the County is desirous of enlarging the Park by the addition of the property described on Exhibit A of the Third Amendment to the Agreement, attached hereto; and

WHEREAS, the County and Pickens County agree that July 25, 2014 will be the effective date of the addition of the property described on Exhibit A of the Third Amendment to the Agreement, attached hereto, to the Park (the "Effective Date"); and

WHEREAS, it is now desired that the boundaries of the Park be enlarged by the addition of the property described in Exhibit A of the Third Amendment to the Agreement, and on the exhibit hereto (below), all as of the Effective Date; and

NOW, THEREFORE, be it ordained by Oconee County, acting by and through the Oconee County Council that the Park Agreement is hereby and shall be amended as of the Effective Date by the Third Amendment to the Agreement to include the property in Oconee County described in the schedule attached to the Third Amendment to the Agreement as Exhibit A (as such description may be hereafter refined), and that the Chairman of Oconee County Council is hereby authorized to execute and deliver any desired amendments to the Park Agreement necessary to accomplish the within enlargement.

Section 1. The Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Third Amendment to the Agreement and the performance of all obligations of the County under and pursuant to the Third Amendment to the Agreement and this Ordinance.

Section 2. All orders, resolutions, ordinances and parts thereof in conflict herewith are to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

DONE in meeting duly assembled this ____ day of July, 2010.

OCONEE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Reginald T. Dexter, Chairman, County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading:	June 1, 2010
Second Reading:	June 15, 2010
Public Hearing:	July 6, 2010
Third Reading:	July 20, 2010

Addition to Exhibit A (Oconee County) effective
on July 25, 2014 to
Agreement for Development of Joint County
Industrial Park dated as of January 16, 2007,
Amended on November 3, 2008
and Second Amendment on May 4, 2010
and Third Amendment on _____, 2010
Between Oconee County and Pickens County

Tract 4 U.S. ENGINE VALVE CORPORATION

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE) THIRD AMENDMENT OF AGREEMENT
COUNTY OF PICKENS) FOR DEVELOPMENT FOR JOINT
) INDUSTRIAL PARK

THIS AGREEMENT for the third amendment of an agreement for the development of a joint county industrial/business park located both within Oconee County, South Carolina and Pickens County, South Carolina, such original agreement dated January 16, 2007, and subsequently amended, previously, on November 3, 2008 and May 4, 2010, by and between the County of Oconee and the County of Pickens both political subdivisions of the State of South Carolina (the "Agreement"), is made and entered into as of this 16th day of August, 2010 but with an effective date of July 25, 2014, by and between the parties hereto (the "Third Amendment to Agreement").

RECITALS

WHEREAS, pursuant to the Agreement, Oconee County, South Carolina ("Oconee County"), and Pickens County, South Carolina ("Pickens County") in order to promote economic development and thus provide additional employment opportunities within both of said counties, have established in Oconee County and Pickens County a Joint County Industrial and Business Park (the "Park"); and

WHEREAS, as a consequence of the establishment of the Park, property therein is exempt from ad valorem taxation, but the owners or lessees of such property are required to pay annual fees in an amount equal to that amount for which such owner or lessee would be liable except for such exemption; and

WHEREAS, pursuant to the Agreement, Oconee County and Pickens County have agreed to accept responsibility for the costs of infrastructure, maintenance, management, promotional costs, and other appropriate costs associated with the establishment and operation of the Park; and

WHEREAS, Oconee County and Pickens County desire to amend the Agreement, as previously amended, as more specifically provided below;

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Third Amendment to Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. **Binding Agreement.** This Third Amendment to Agreement serves as a written instrument amending the entire Agreement between the parties, as previously amended, and shall be binding on Oconee County and Pickens County, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(d), of the Constitution of South Carolina (the "Constitution") provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member

counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a means by which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability for school districts. Section 4-1-170, Code of Laws of South Carolina, 1976, as amended ("Section 4-1-170"), satisfies the conditions imposed by Article VIII, Section 13(d), of the Constitution and provides the statutory vehicle whereby a joint county industrial park may be created.

3. **Third Amendment to the Agreement.** As of the date of this Third Amendment to the Agreement, The Second Amendment to the Agreement, the First Amendment to the Agreement and the Agreement as previously amended is further amended, in accordance with Section 3(B) of the Agreement, so to expand the Park premises in Oconee County, effective as of July 25, 2014 by the addition of one (1) tract of land, to be shown as "Tract 4" on the revised Exhibit A, attached hereto, which shall amend, replace, and supersede the previously amended Exhibit A to the Agreement which was in effect prior to execution of this Third Amendment to Agreement.

4. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Third Amendment to Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Third Amendment to the Agreement.

5. **Termination.** All other terms and conditions of the Agreement as amended by this Third Amendment to the Agreement, and as previously amended, shall remain in full force and effect.

WITNESS our hands and seals of this 20th day of July, 2010.

OCCONEE COUNTY, SOUTH CAROLINA

By: _____
Reginald T. Dexter, Chairman of County Council
Oconee County, South Carolina

By: _____
Elizabeth G. Hulsa, Clerk to County Council
Oconee County, South Carolina

WITNESS our hands and seals as of this 16th day of August, 2010.

PICKENS COUNTY, SOUTH CAROLINA

By: _____
G. Neil Smith, Chairman of County Council
Pickens County, South Carolina

ATTEST:

By: _____
Donna Owens, Clerk, County Council
Pickens County, South Carolina

**EXHIBIT A
LAND DESCRIPTION
OCONEE COUNTY**

TRACT 1

Tanven US Corporation
430 Torrington Road
Walhalla, South Carolina 29691

All that certain piece, parcel or tract of land, situate, lying and being in West Union School District, Oconee County, South Carolina, containing 103.45 acres, more or less, as will appear by plat thereof prepared by Schmittacher Engineering Services, Dated September 23, 1966, revised November 9, 1966 and February 20, 1967, recorded in Plat Book P-29, page 132 in the office of the Clerk of Court for Oconee County, South Carolina. BEGONNING at a point in the center of Road S 37-324, thence S 75-13 E 34.7 feet to an iron pin corner, old; thence S 75-13 E 1464.6 feet to an iron pin corner, old; thence S 18-16 W 1618.89 feet to an iron pin corner, new; thence N 71-59 W 811.15 feet to an iron pin corner, old; thence S 05-28 W 481 feet to an iron pin corner, old; thence N 75-34 W 1248.93 feet to an iron pin corner, new; thence N 15-32 E 445.85 feet to I.P.O.; thence N 70-08 W 124.93 feet to I.P.O.; thence N 35-20 E 1604.50 feet to I.P.O.; thence N 74-38 W 1050.31 to a stone corner, old; thence N09-41 W 237.31 feet to I.P.O.; thence N 76-47 E 1351.79 feet to a nail in the center of bituminous road, designated Point "B"; thence S 26-42 E 474.8 feet along center of road to a nail, thence S 23-31 E 276.8 feet along center of road to a nail; thence S 15-07 E 764.8 feet along center of road to a nail; thence S 09-30 E 222.8 feet along center of road to point designated Point "A", same being the point of beginning. Said tract being the major portion of a tract of land conveyed to the Torrington Company (Maine) by Piedmont-Oconee Corp. by deed dated June 17, 1960, recorded in Deed Book 8-F, page 8, and the property conveyed by deed of Leroy C. Martin and Raleigh L. Martin to the Torrington Company (Maine) dated January 25, 1967, recorded in Deed Book 10-B at page 35, which said conveyance was made to make the center line of road the property line and by deed of James Robert LeCroy to the Torrington Company (Maine) dated February 14, 1967, recorded in Deed Book 10-B, page 41 which deed was made to make the center line of road the line, less a strip of land conveyed by The Torrington Company (Maine) to James Robert LeCroy by deed dated July 25, 1967, recorded in Deed Book 10-E, page 87, which deed was made for the purpose of making the center line of the road the property line.

TRACT 2

Borg-Warner Torqtransfer Systems Inc.

All that certain piece, parcel or tract of land, situate, lying and being in the State of South Carolina, County of Oconee, Township of Seneca, containing 78.176 acres, more or less and shown and more fully described by metes and bounds on plat of survey thereof made by W. Jay Cooper, P.E. & L.S. dated April 6, 1990, which plat is recorded in the Office of the Clerk of Court for Oconee County in Plat Book A-54, pages 9 and 10 and which is incorporated herein by reference.

The within described property was conveyed to Borg-Warner Powertrain Systems Corporation by deed of Embart Industries, Inc. dated September 26, 1995 and recorded in the Office of the Clerk of Court for Oconee County in Deed Book 834 at page 333 on November 5, 1995.

TRACT 3

Greenfield Industries, Inc.

All that piece, parcel or tract of land situate, lying and being in the County of Oconee, State of South Carolina, located on the Southern side of U.S. Highway 76 and 123 and being more particularly shown and designated as a tract of land containing 78.20 acres, more or less, on a plat entitled "Plat of a Tract of Land Surveyed at the Request of The First National Bank of Boston" by Farmer & Simpson Engineers, dated June 3, 1986 and recorded in the office of the Clerk of Court of Oconee County, South Carolina in Plat Book P-51 at page 132, and being more particularly described, according to said plat as follows:

Beginning at an iron pin (P.O.B.) located on the southwestern edge of the right of way for U.S. Highway 76 and 123 and at the northwestern most corner of said tract of land (said corner being a common corner with the northeastern most corner of lands now or formerly of Delta Corporation) and running thence along the southwestern edge of the right of way for U.S. Highway 76 and 123 S 63 degrees - 19' E 1,890.8 feet to an iron pin corner; thence S 22 degrees - 57' W 456.9 feet to an iron pin corner; thence S 02 degrees - 07' E 261.1 feet to a nail and bottle top; thence S 38 degrees - 42' W 243.9 feet to a nail and bottle top located within the right of way for Highway S-439; thence S 32 degrees - 40' W 248.5 feet to a nail and bottle top located in the center of the right of way for Highway S-439; thence S 25 degrees - 27' W 240.3 feet to an iron pin corner; thence N 86 degrees 32' W 249.9 feet to an iron pin corner; thence S 86 degrees-19' W 593.3 feet to an iron pin corner; thence S 09 degrees - 16' W 241.6 feet to an iron pin corner; thence N 78 degrees - 56' W 673.4 feet to an iron pin corner; thence N 05 degrees - 25' W 398.7 feet to an iron pin corner; thence N 09 degrees - 32' E 798.4 feet to an iron pin corner; thence N 23 degrees - 02' W 365.0 feet to an iron pin corner; thence N 75 degrees - 09' E 132.3 feet to an iron pin corner; thence N 24 degrees - 28' E 796.4 feet to the POINT OF BEGINNING. Said tract of land is bounded on the North by the right of way for U.S. Highway 76 and 123, on the East by lands of various owners, on the South by lands now or formerly of Clemson University and U.S. Government Hartwell Reservoir and on the West by lands now or formerly of U.S. Government Hartwell Reservoir and Delta Corporation.

LESS AND EXCEPT all that certain piece, parcel or tract of land conveyed from Greenfield Industries, Inc., predecessor in interest of Grantor herein, by deed dated December 22, 2003, and recorded on December 31, 2003, in the Office of the Register of Deeds of Oconee County, South Carolina in Book 1302, page 345.

LESS AND EXCEPT all that certain piece, parcel or tract of land conveyed from Greenfield Industries, Inc., predecessor in interest of Grantor herein, by deed dated March 4, 1996 and recorded on April 10, 1996 in the Office of the Register of Deeds of Oconee County, South Carolina in Book 857, page 305.

BEING commonly referred to as 2501 Davis Creek Road, Seneca, Oconee County, South Carolina and as Tax Map/Parcel Numbers 226-00-04-006 and 226-00-04-020.

TRACT 4

U.S. Engine Valve Corporation

**EXHIBIT B
LAND DESCRIPTION
PICKENS COUNTY**

DRAFT

FEE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

US ENGINE VALVE COMPANY,
A DELAWARE GENERAL PARTNERSHIP BETWEEN
EATON CORPORATION AND U.S. NITTAN

Dated as of July 1, 2010

The County and the Company hereby agree to waive, to the full extent allowed by law, the requirements of Section 12-44-55 with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings required by the Act, and provides copies of all such filings to the County.

TABLE OF CONTENTS

	<u>Page</u>
Recitals.....	1
ARTICLE I DEFINITIONS.....	3
ARTICLE II REPRESENTATIONS AND WARRANTIES	
Section 2.1 Representations of the County.....	9
Section 2.2 Representations of the Company.....	10
ARTICLE III COMMENCEMENT AND COMPLETION OF THE PROJECT	
Section 3.1 The Project.....	11
Section 3.2 Diligent Completion.....	12
ARTICLE IV PAYMENTS IN LIEU OF TAXES	
Section 4.1 Negotiated Payments.....	12
Section 4.2 Cost of Completion and Job Creation.....	15
Section 4.3 Payments in Lieu of Taxes on Replacement Property.....	16
Section 4.4 Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty.....	17
Section 4.5 Place and Allocation of Payments in Lieu of Taxes.....	18
Section 4.6 Removal of Equipment.....	18
Section 4.7 Damage or Destruction of Project.....	19
Section 4.8 Condemnation.....	19
Section 4.9 Maintenance of Existence.....	20
Section 4.10 Indemnification Covenants.....	20
Section 4.11 Confidentiality/Limitation on Access to Project.....	21
Section 4.12 Assignment and Subletting.....	22
Section 4.13 Events of Default.....	22
Section 4.14 Remedies on Default.....	23
Section 4.15 Remedies Not Exclusive.....	23
Section 4.16 Reimbursement of Legal Fees and Expenses.....	23
Section 4.17 No Waiver.....	24
Section 4.18 Infrastructure Credit.....	24
ARTICLE V MISCELLANEOUS	
Section 5.1 Notices.....	25
Section 5.2 Binding Effect.....	25
Section 5.3 Counterparts.....	26
Section 5.4 Governing Law.....	26
Section 5.5 Headings.....	26
Section 5.7 Further Assurance.....	26

Section 5.8	Severability	26
Section 5.9	Limited Obligation	27
Section 5.10	Force Majeure	27

Oconee County, South Carolina

TEE AGREEMENT

THIS TEE AGREEMENT (this "Fee Agreement") is made and entered into as of _____, 2010, by and between OCONEE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through the Oconee County Council (the "County Council") as the governing body of the County, and U.S. ENGINE VALVE COMPANY, a general partnership between Eaton Corporation and U.S. Nitran (the "Company"), organized and existing under the laws of the State of Delaware.

WITNESSETH:

Recitals

The County is authorized by Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended (the "Act") to enter into a fee agreement with entities meeting the requirements of such Act, which identifies certain property of such entities as economic development property, to induce such industries to locate in the State and to encourage industries now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State:

Pursuant to the Act, the County finds that (a) the Project (as defined herein) is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefit not otherwise adequately provided locally; (b) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper

governmental and public purposes; and (d) the benefits of the Project to the public are greater than the costs to the public.

Pursuant to an Inducement Agreement executed by the County on May 18, 2010 and by the Company on _____, 2010 (referred to herein as the "Inducement Agreement") authorized by a resolution adopted by the County Council on May 18, 2010 (referred to herein as the "Inducement Resolution"), the Company has agreed to acquire and equip by construction, lease-purchase, lease or otherwise, an engine valve manufacturing facility (the "Facility") which will be located in the County, which will consist of the acquisition, construction, installation, expansion, improvement, design and engineering, in phases, of additional or improved machinery and equipment, buildings, improvements or fixtures which will constitute the project (the "Project"). The Project in the Park (as hereinafter defined) in the County involves an initial taxable investment of at least \$18,000,000 in the County within five (5) years of the end of the Company tax year in which this Agreement is executed and the \$18,000,000 level of that investment shall be maintained for the initial ten (10) years of the Fee Agreement, without regard to depreciation and a \$13,000,000 level of that same investment, without regard to depreciation, shall be maintained for the remaining ten (10) years of the initial term of the Fee Agreement, all being maintained in accordance with the Act.

Pursuant to an Ordinance adopted on July 6, 2010 (the "Fee Ordinance"), as an inducement to the Company to develop the Project and at the Company's request, the County Council authorized the County to enter into a Fee Agreement with the Company which identifies the property comprising the Project as Economic Development Property (as defined in the Act) under the Act subject to the terms and conditions hereof.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows, with the understanding that no obligation of the County described herein shall create a pecuniary liability or charge upon its general credit or taxing powers, but shall be payable solely out of the sources of payment described herein and shall not under any circumstances be deemed to constitute a general obligation of the County.

ARTICLE I

DEFINITIONS

The terms defined in this Article shall for all purposes of this Fee Agreement have the meaning herein specified, unless the context clearly requires otherwise.

"Act" shall mean Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended, and all future acts supplemental thereto or amendatory thereof.

"Authorized Company Representative" shall mean the President of the Company or any person designated from time to time to act on behalf of the Company by its President or one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary as evidenced by a written certificate or certificates furnished to the County containing the specimen signature of each such person, signed on behalf of the Company by its President, one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary. Such certificates may designate an alternate or alternates, and may designate different Authorized Company Representatives to act for the Company with respect to different sections of this Fee Agreement.

"Authorized County Representative" shall mean the Administrator of the County or his/her designee as evidenced by a written certificate of the County Administrator (hereinafter defined).

"Chairman" shall mean the Chairman of the County Council of Oconee County, South Carolina.

"Clerk to County Council" shall mean the Clerk to the County Council of Oconee County, South Carolina.

"Closing" or "Closing Date" shall mean the date of the execution and delivery hereof.

"Code" shall mean the Code of Laws of South Carolina, 1976, as amended.

"Company" shall mean US Engine Valve Company, a general partnership organized under the laws of the State of Delaware and duly qualified to transact business in the State.

"County" shall mean Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

"County Administrator" shall mean the Administrator of Oconee County, South Carolina.

"County Council" shall mean the Oconee County Council, the governing body of the County.

"Diminution of Value" in respect of any Phase of the Project shall mean any reduction in the value based on original fair market value as determined in Step 1 of Section 4.1 of this Fee Agreement, of the items which constitute a part of the Phase which may be caused by (i) the Company's removal of equipment pursuant to Section 4.6 of this Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.7 of this Fee Agreement or (iii) a

condemnation to the Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement.

"Economic Development Property" shall mean all items of tangible Real Property and personal property, as defined herein, comprising the Project which are eligible for inclusion as economic development property under the Act, become subject to the Fee Agreement, and which are identified by the Company in connection with its required annual filing of a SCDOR PI-100, PI-300 or comparable form with the South Carolina Department of Revenue and Taxation (as such filing may be amended from time to time) for each year within the Investment Period. Title to all Economic Development Property shall at all times remain vested in the Company.

"Equipment" shall mean all of the machinery, equipment, furniture and fixtures of the Project, together with any and all additions, accessions, replacements and substitutions thereto or therefor to the extent such machinery, equipment and fixtures constitute Economic Development Property and thus become a part of the Project under this Fee Agreement.

"Event of Default" shall mean any Event of Default specified in Section 4.13 of this Fee Agreement.

"Facility" shall mean any such facility that the Company may cause to be constructed, acquired, modified or expanded in Oconee County, South Carolina on the land acquired by, leased by or on behalf of the Company for the Project.

"Fee Agreement" shall mean this Fee Agreement.

"Fee Term" or "Term" shall mean the period from the date of delivery of this Fee Agreement until the last Phase Termination Date unless sooner terminated or extended pursuant to the terms of this Fee Agreement.

"FILOT Revenues" shall mean the payments in lieu of taxes which the Company is obligated to pay to the County pursuant to Section 4.1 hereof.

"Improvements" shall mean improvements, together with any and all additions, accessions, replacements and substitutions thereto or therefor, but only to the extent such additions, accessions, replacements, and substitutions are deemed to become part of the Project under the terms of this Fee Agreement.

"Inducement Agreement" shall mean the Inducement Agreement entered into between the County on May 18, 2010 and the Company on _____ as authorized by the Inducement Resolution.

"Inducement Resolution" shall mean the resolution of the County Council adopted on May 18, 2010, authorizing the County to enter into the Inducement Agreement.

"Infrastructure Credits" shall mean those credits against the fee in lieu of tax payments to be made by the Company to the County as authorized by Section 4-1-175 of the Code and Section 4.9 hereof.

"Investment Period" shall mean the period commencing _____ 1, 20____, and ending on the last day of the fifth (5th) property tax year following the property tax year in which this Agreement is executed if the minimum statutory investment is made within the statutory period.

"Minimum Investment" shall mean that the Company shall invest under and pursuant to the Fee Agreement not less than Fifteen Million Dollars (\$15,000,000) in qualifying, new taxable investment in the Project by the end of the fifth (5th) year after the year of execution of the Fee Agreement, and that \$18,000,000 of that investment shall be maintained for the initial ten (10) years of the Fee Agreement, without regard to depreciation and \$13,000,000 of that same investment, without regard to depreciation, shall be maintained for the remaining ten (10) years of the initial term of the Fee Agreement, all being made and maintained in accordance with the Act.

"Park" shall mean the industrial and business park created by the Park Agreement.

"Park Agreement" shall mean the Agreement for Development of an Industrial/Business Park for the Park between the County and Pickens County dated January 16, 2007, as amended from time to time by adding the Project site to that Pickens Park at the expiration of the Williamsburg Park (as described herein), effective July 25, 2014 and extending the duration of the Pickens Park, as necessary.

"Phase" or "Phases" in respect of the Project shall mean the Equipment, Improvements and Real Property, if any, placed in service during each year of the Investment Period.

"Phase Termination Date" shall mean with respect to each Phase of the Project the day twenty years after each such Phase of the Project becomes subject to the terms of this Fee Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than the later of: (a) December 31, 2035 or December 31, 2040, if an additional extension of time in which to complete the Project is hereinafter granted by the County pursuant to Section 12-44-36(13) of the Act, and utilized by the Company by making the required

investments, or (b) December 31 of the year of the expiration of the maximum period of years that the annual fee payment is available to the Company under Section 12-44-30(20) of the Act, as amended, but only if the County subsequently agrees to such a maximum number of years exceeding twenty and such agreement is approved by the County Council and reduced to writing.

"Project" shall mean the Personal Property, together with the acquisition, construction, installation, design and engineering thereof, in phases, which shall constitute expansions or improvements of the Facility, and any Real Property which qualifies as Economic Development Property under the Act and becomes part of the Project pursuant to the provisions of this Agreement. The Project involves an initial investment of sufficient sums to qualify as a Project under the Act.

"Real Property" shall mean the real property described in Exhibit A attached hereto, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto and at which the Personal Property that comprises part of the Project under the terms of this Fee Agreement is located, as well as any real property which, itself, qualifies as part of the Project, as set forth herein.

"Removed Components" shall mean the following types of components or Phases of the Project or portions thereof, all of which the Company shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of the Fee Agreement: (a) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable or unnecessary; or (b) components or Phases of the Project or portions thereof which the Company in

its sole discretion, elects to remove pursuant to Section 4.7(e) or Section 4.8(h)(ii) of this Fee Agreement.

"Replacement Property" shall mean any property which is placed in service as a replacement pursuant to Section 4.4 hereof for any item of Equipment or any Improvement which is scrapped or sold by the Company and treated as a Removed Component under Section 4.7 hereof regardless of whether such property serves the same function as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall be deemed to include any and all amendments, supplements, addenda, and modifications to such agreement or document.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations of the County. The County hereby represents and warrants to the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provisions of the Act is authorized and empowered to enter into the transactions contemplated by this Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein.

(b) The Project, as represented by the Company to the County, constitutes a "project" within the meaning of the Act.

(c) By due corporate action, the County has agreed that, subject to compliance with applicable laws, each item of real and tangible personal property comprising the Project shall be considered Economic Development Property under the Act. The Authorized County Representative is to take all administrative or managerial actions to be taken or consented to by the County pursuant to this Agreement.

Section 2.2 Representations of the Company. The Company hereby represents and warrants to the County as follows:

(a) The Company is duly organized and in good standing under the laws of the State of Delaware, is qualified to do business in the State, has power to enter into this Fee Agreement, and by proper company action has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company's execution and delivery of this Fee Agreement and its compliance with the provisions hereof will not result in a default, not waived or cured, under any company restriction or any agreement or instrument to which the Company is now a party or by which it is bound.

(c) The Company intends to operate the Project as a "project" within the meaning of the Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of the development of an engine valve and automotive parts manufacturing facility and other legal activities and functions with respect thereto, and for such other purposes permitted under the Act as the Company may deem appropriate.

(d) The availability of the payment in lieu of taxes with regard to the Economic Development Property authorized by the Act has induced the Company to locate the Facility and Project in the State.

(e) The Company anticipates that the cost of the project will be at least \$18,000,000 in qualifying taxable investment in eligible, Economic Development Property in the County within five (5) years of the end of the company tax year in which this Agreement is executed.

(f) The Company will invest not less than Eighteen Million Dollars (\$18,000,000) in Economic Development Property, subject to the fee in the Project by the end of the fifth succeeding year following the year of the execution of the Fee Agreement, or lose the benefits of this Agreement retroactively to the outset, with interest and repayment due to the County for both PILOT payments and Infrastructure Credits, as though the Minimum Investment requirements of the Act had not been met. Should such Minimum Investment, without regard to depreciation, not be maintained, as required by this Agreement, at any point in time, after having once been achieved, the Company will lose the benefit of the Fee Agreement and Infrastructure Credits and the Project will revert to normal tax treatment, pursuant to Section 12-44-140(B) of the Act, prospectively, from the point at which such maintenance requirement is lost, on.

ARTICLE III

COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.1 The Project. The Company has acquired, constructed and/or installed or made plans for the acquisition, lease, construction, expansion and/or installation of certain land, buildings, improvements, fixtures, machinery and equipment which comprise the Project.

Pursuant to the Act, the Company and the County hereby agree that the property comprising the Project shall be Economic Development Property as defined under the Act. Anything contained in this Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project provided it makes the payments required hereunder, and provided that the Company may lose the benefit of this Fee Agreement if it does not complete the Project.

Section 3.2 Diligent Completion. The Company agrees to use its reasonable efforts to cause the acquisition, construction and installation of the Project to be completed as soon as practicable, but in any event on or prior to December 31, 2015, or on or prior to December 31, 2020 if not less than \$18,000,000 of Economic Development Property is invested in the Project on or prior to December 31, 2015 and the County agrees to an extension of the investment period hereof by resolution. Anything contained in this Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project in the event that it pays all amounts due from and by it under the terms of this Fee Agreement, and provided that the Company may lose the benefit of this Fee Agreement if it does not complete the Project, and may owe repayment to the County under the terms hereof in certain such circumstances.

ARTICLE IV

PAYMENTS IN LIEU OF TAXES

Section 4.1 Negotiated Payments. Pursuant to Section 12-44-50 of the Act, the Company is required to make payments in lieu of ad valorem taxes to the County with respect to the Project. Inasmuch as the Company anticipates the Project will involve an initial investment of sufficient sums to qualify to enter into a fee in lieu of tax ("FILT") arrangement under Section 12-

44-50(A)(1) of the Act and to meet the investment and jobs creation representations of Section 2.2(1), hereof, the County and the Company have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Company shall make payments in lieu of ad valorem taxes on all Economic Development Property which comprises the Project and is placed in service, as follows: the Company shall make payments in lieu of ad valorem taxes with respect to each Phase of the Project placed in service on or before each December 31 (through December 31, 2015, in non-exempt Economic Development Property, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for ad valorem taxes. The amount of such annual payments in lieu of taxes shall be determined by the following procedure (subject, in any event, to the required procedures under the Act):

- Step 1: Determine the fair market value of the Phase of the Project placed in service in any given year for such year and for the following 19 years, using the original income tax basis for State income tax purposes less depreciation for each year allowable to the Company for any personal property as determined in accordance with Title 12 of the Code, as amended and in effect on December 31 of the year in which each Phase becomes subject to the Fee Agreement, except that no extraordinary obsolescence shall be allowable but taking into account all applicable property tax exemptions which would be allowed to the Company under State law, if the property were taxable, except those exemptions specifically disallowed under Section 12-44-50(A)(2) of the Act, as amended and in effect on December 31 of the year in which each Phase becomes subject to the Fee Agreement.
- Step 2: Apply an assessment ratio of six percent (6%) to the fair market value as determined for each year in Step 1 to establish the taxable value of each Phase of the Project in the year it is placed in service and in each of the nineteen years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Company under

the Act, as amended, if the County approves, in writing, the use of such longer period created by any such amendment.

Step 3: Multiply the taxable values, from Step 2, by the millage rate in effect for the Project site on June 30, 2009, which the parties believe to be 215.3 mills (which millage rate shall remain fixed for the term of this Fee Agreement), to determine the amount of the payments in lieu of taxes which would be due in each of the twenty years listed on the payment dates prescribed by the County for such payments, or such longer period of years (that the County may subsequently agree, in writing, that the annual fee payment is permitted to be made by the Company under the Act, as amended).

In the event that it is determined by a final order of a court of competent jurisdiction or by agreement of the parties that the minimum payment in lieu of taxes applicable to this transaction is to be calculated differently than described above, the payment shall be reset at the minimum permitted level so determined, but never lower than the level described in this Agreement for the investment in the Project without the express, written consent of the County.

In the event that the Act and/or the above-described payments in lieu of taxes are declared invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions that such payments be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Company with the benefits to be derived herefrom, it being the intention of the County to offer the Company a strong inducement to locate the Project in the County. If the Project is deemed to be subject to ad valorem taxation, the payment in lieu of ad valorem taxes to be paid to the County by the Company shall become equal to the amount which would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the Project did not constitute Economic Development Property under the Act, but with appropriate reductions equivalent to all tax

exemptions which would be afforded to the Company if the Project was and had not been Economic Development Property under the Act. In such event, any amount determined to be due and owing to the County from the Company, with respect to a year or years for which payments in lieu of ad valorem taxes have been previously remitted by the Company to the County hereunder, shall be reduced by the actual amount of payments in lieu of ad valorem taxes already made by the Company with respect to the Project pursuant to the terms hereof.

Section 4.2 Cost of Completion and Jobs Creation. In the event that the cost of completion of the Project has not exceeded \$18,000,000 in non-exempt Economic Development Property, as required under Section 12-44-30(13) of the Act by December 31, 2015, at the Project in the Park by that date, then beginning with the payment due in 2016, the payment in lieu of ad valorem taxes to be paid to the County by the Company shall become equal to the amount as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Project were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Company in such a case, and the Investment Period will be terminated at that point. In addition to the foregoing, the Company shall pay to the County an amount which is equal to the excess, if any, of (i) the total amount of ad valorem taxes that would have been payable to the County with respect to the Project through and including 2015 using the calculations described in this Section, over, (ii) the total net amount of payments in lieu of ad valorem taxes actually made by the Company with respect to the Project through and including 2015. Any amounts determined owing pursuant to the foregoing sentence shall be subject to interest

as provided in the Act. Further, in the event, thereafter, that the investment in the Project, without regard to depreciation falls below \$18,000,000 at any point, during the first ten (10) years that this Fee Agreement is in effect, or below \$13,000,000, at any point, during the second ten (10) years that this Fee Agreement is in effect, the payment in lieu of ad valorem taxes to be paid to the County by the Company from such respective point on, for the duration of this Fee Agreement shall become equal to the amount as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Project were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Company in such a case, and the Investment Period and Infrastructure Credits will be terminated at that point at which the investment in the Project, without regard to depreciation, falls below such \$18,000,000 or \$13,000,000, respectively.

Section 4.5 Payments in Lieu of Taxes on Replacement Property. If the Company elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Project, then, pursuant and subject to Section 12-44-60 of the Act, the Company shall make statutory payments in lieu of ad valorem taxes with regard to such Replacement Property as follows:

- (i) to the extent that the income tax basis of the Replacement Property (the "Replacement Value") is less than or equal to the original income tax basis of the Removed Components (the "Original Value") the amount of the payments in lieu of taxes to be made by the Company with respect to such Replacement Property shall

be calculated in accordance with Section 4.1 hereof; provided, however, in making such calculations, the original cost to be used in Step 1 of Section 4.1 shall be equal to the lesser of (x) the Replacement Value and (y) the Original Value, and the number of annual payments to be made with respect to the Replacement Property shall be equal to twenty (20) (or, if greater, pursuant to subsequent written agreement with the County, the maximum number of years for which the annual fee payments are available to the Company for each portion of the Project under the Act, as amended) minus the number of annual payments which have been made with respect to the Removed Components; and provided, further, however, that in the event a varying number of annual payments have been made with respect to such Removed Components as a result of such Removed Components being included within more than one Phase of the Project, then the number of annual payments which shall be deemed to have been made shall be the greater of such number of annual payments; and

- (ii) to the extent that the Replacement Value exceeds the Original Value of the Removed Components (the "Excess Value"), the payments in lieu of taxes to be made by the Company with respect to the Excess Value shall be equal to the payment that would be due if the property were not Economic Development Property.

Section 4.4 Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty. In the event of a Diminution in Value of any Phase of the Project, the payment in lieu of taxes with regard to that Phase of the Project shall be reduced in the same proportion as the amount

of such Diminution in Value bears to the original fair market value of that Phase of the Project as determined pursuant to Step 1 of Section 4.1 hereof; subject, always, however to the terms and provisions of Section 4.2 hereof.

Section 4.5 Place and Allocation of Payments in Lieu of Taxes. The Company shall make the above-described payments in lieu of taxes directly to the County in accordance with applicable law as to time, place, method of payment, and penalties and enforcement of collection.

Section 4.6 Removal of Equipment. Provided that no Event of Default shall have occurred and be continuing under this Fee Agreement, and subject to Section 4.2 and Section 4.4, hereof, the Company shall be entitled to remove the following types of components or Phases of the Project from the Project with the result that said components or Phases (the "Removed Components") shall no longer be considered a part of the Project and shall no longer be subject to the terms of this Fee Agreement: (a) components or Phases which become subject to statutory payments in lieu of ad valorem taxes; (b) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines to be inadequate, obsolete, uneconomic, worn-out, damaged, unsuitable, undesirable or unnecessary; or (c) components or Phases of the Project or portions thereof which the Company, in its sole discretion, elects to remove pursuant to Section 4.7(c) or Section 4.8(b)(iii) hereof. The Company shall provide annual written notice to the County of the Removed Components in conjunction with the filing of the PI300 property tax form.

Section 4.7 Damage or Destruction of Project

(a) Election to Terminate. In the event the Project is damaged by fire, explosion, or any other casualty, the Company shall be entitled to terminate this Agreement.

(b) Election to Rebuild. In the event the Real Property in which the project is located is damaged by fire, explosion, or any other casualty, and if the Company does not elect to terminate this Agreement, the Company may commence to restore the Project with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company, subject to the provisions of Section 4.4, hereof. Subject to the terms and provisions of this Agreement, all such restorations and replacements shall be considered substitutions of the destroyed portions of the Project and shall be considered part of the Project for all purposes hereof, including, but not limited to any amounts due by the Company to the County under Section 4.1 hereof.

(c) Election to Remove. In the event the Company elects not to terminate this Agreement pursuant to subsection (a) and elects not to rebuild pursuant to subsection (b), the damaged portions of the Project shall be treated as Removed Components, subject to Section 4.2 and Section 4.4 hereof.

Section 4.8 Condemnation

(a) Complete Taking. If at any time during the Fee Term title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation or the right of eminent domain, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Real Property shall be

taken rendering continued occupancy of the Project commercially infeasible in the judgment of the Company, the Company shall have the option to terminate this Fee Agreement as of the time of vesting of title by sending written notice to the County within a reasonable period of time following such vesting.

(b) Partial Taking. In the event of a partial taking of the Real Property or a transfer in lieu thereof, and subject to Section 4.2 and Section 4.4, hereof, the Company may elect: (i) to terminate this Fee Agreement; (ii) to repair and restore the Project, with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company; or (iii) to treat the portions of the Project so taken as Removed Components.

Section 4.9 Maintenance of Existence. The Company agrees (i) that it shall not take any action which will materially impair the maintenance of its company existence and (ii) that it will maintain its good standing under all applicable provisions of State law. Provided, however, the Company may merge with or be acquired by another company so long as the surviving Company has a net asset value equal to or greater than that of the Company's net asset value.

Section 4.10 Indemnification Covenants. The Company shall and agrees to indemnify and save the County, its employees, officers, and agents (the "Indemnified Parties") harmless against and from all claims by or on behalf of any person, firm or corporation arising from the County's entry into this Agreement. The Company shall indemnify and save the Indemnified Parties harmless from and against all costs and expenses incurred in or in connection with any such claim arising as

afforded or in connection with any action or proceeding brought thereon, and upon notice from the County, the Company shall defend them in any such action, prosecution or proceeding.

Section 4.11 Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Company utilizes confidential and proprietary "state of the art" equipment and techniques and that any disclosure of any information relating to such equipment or techniques, including but not limited to disclosures of financial or other information concerning the Company's operations could result in substantial harm to the Company and could thereby have a significant detrimental impact on the Company's employees and also upon the County. Therefore, the County agrees that, except as required by law and pursuant to the County's police powers, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information; or (ii) shall request or be entitled to inspect the Project, the Facility or any property associated therewith; provided, however, that if an Event of Default shall have occurred and be continuing hereunder, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; and, the County (iii) shall use its best, good faith efforts to not knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law. Notwithstanding the expectation that the County will not have any confidential or proprietary information of the Company, if the Company does provide such information to the County, if the Company will clearly and conspicuously mark such information as "Confidential" or "Proprietary", or both, then, in that event, prior to disclosing any confidential or proprietary information or allowing inspections of the

Project, the Facility or any property associated therewith, the Company may require the execution of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections.

Section 4.12 Assignment and Subletting. This Fee Agreement may be assigned in whole or in part and the Project may be subleased as a whole or in part by the Company with the prior consent of the County, which consent will not unreasonably be withheld, so long as such assignment or sublease is made in compliance with Section 12-44-120 of the Act.

Section 4.13 Events of Default. In addition to the specific events of default noted elsewhere herein, as to investment and job creation requirements, the following shall be "Events of Default" under this Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company to make, upon levy, the payments in lieu of taxes described in Section 4.1 hereof; provided, however, that the Company shall be entitled to all redemption rights granted by applicable statutes; or

(b) Failure by the Company to perform any of the material terms, conditions, obligations or covenants of the Company hereunder, other than those already noted in this Section 4.13 which failure shall continue for a period of ninety (90) days after written notice from the County to the Company specifying such failure and requesting that it be remedied, unless the County shall agree in writing to an extension of such time prior to its expiration.

Section 4.14 Remedies on Default. Whenever any Event of Default shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions:

- (a) Terminate the Fee Agreement and Infrastructure Tax Credit; or
- (b) Take whatever action at law or in equity may appear necessary or desirable to collect the other amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Fee Agreement, including, without limitation, those actions previously specified in this Agreement.

Section 4.15 Remedies Not Exclusive. No remedy conferred upon or reserved to the County under this Fee Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other lawful remedy now or hereafter existing. No delay or omission to exercise any right or power accruing upon any continuing default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be herein expressly required and such notice required at law or equity which the Company is not competent to waive.

Section 4.16 Reimbursement of Legal Fees and Expenses. The Company agrees to reimburse or otherwise pay, on behalf of the County, any and all expenses not hereinbefore mentioned incurred by the County in connection with the Project. Further if the Company shall default under any of the provisions of this Fee Agreement and the County shall employ attorneys or

incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Company contained herein, the Company will, within thirty (30) days of demand therefor, reimburse the reasonable fees of such attorneys and such other reasonable expenses so incurred by the County.

Section 4.17 No Waiver. No failure or delay on the part of the County in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the County.

Section 4.18 Infrastructure Credit. The County agrees that the Company shall be entitled to Infrastructure Credits, to be taken as a set off against the FILOT payments for the Project in the Park owed, pursuant to Section 4.1, hereof, in each of the first ten (10) years of such FILOT payments, in an annual amount equal to Twenty (20%) percent of the net FILOT payments (after payment of the MCIP partner county fee) generated by the Project in the Park commencing in the property tax year in which the total new, taxable investment of the Company in the Project equals or exceeds \$23,000,000 and continuing for the next nine (9) years thereafter, but not to exceed the actual cost of the Infrastructure, totally or in any given year. Such Infrastructure Credits may be taken by the applicable Company only to the extent that such Company has invested in "Qualifying Improvements" as defined in Section 12-44-70(B)(2) of the Act. The Company shall be responsible for certifying to the County the amount of Qualified Improvements incurred. Based on this certification, the Treasurer of the County shall display and subtract the Infrastructure Credits from

the fee in lieu of tax payment statement sent to the Company for the duration of the Infrastructure Credits. At no time shall the aggregate of Infrastructure Credits received by the Company exceed the certified amount of Qualified Improvements.

ARTICLE V

MISCELLANEOUS

Section 5.1 Notices. Any notice, election, demand, request or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

AS TO THE COUNTY:	Oconee County, South Carolina 415 South Pine Street Walhalla, South Carolina 29691 Attention: County Administrator
AS TO THE COMPANY:	US Engine Valve Company 7039 South Highway 11 Westminster, South Carolina 29693
WITH A COPY TO:	J. Wesley Crum, III P.A. 233 North Main Street, Suite 200F Greenville, South Carolina 29601 Attention: J. Wesley Crum III, Esquire

Section 5.2 Binding Effect. This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company and the County and their respective successors and assigns. In the event of the dissolution of the County or

the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises and agreements of this Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 5.3 Counterparts. This Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 5.4 Governing Law. This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 5.5 Headings. The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 5.6 Amendments. The provisions of this Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 5.7 Further Assurance. From time to time, and at the sole expense of the Company, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement.

Section 5.8 Severability. If any provision of this Fee Agreement is declared illegal, invalid or unenforceable for any reason, the remaining provisions hereof shall be unimpaired and such illegal, invalid or unenforceable provision shall be reformed so as to most closely effectuate the legal, valid and enforceable intent thereof and so as to afford the Company with the maximum

benefits to be derived herefrom, it being the intention of the County to offer the Company a strong inducement to locate the Project in the County.

Section 5.9 Limited Obligation. ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS FEE AGREEMENT AND SHALL NOT UNDER ANY CIRCUMSTANCES BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

Section 5.10 Force Majeure. To the extent recognized by the Act, the Company shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond Company's reasonable control.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the County Chairman and to be attested by the Clerk to County Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Reginald T. Dexter, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

WITNESSES:

US ENGINE VALVE COMPANY

By: _____
Its:

EXHIBIT A
LAND DESCRIPTION

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: July 6, 2010
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE OR DESCRIPTION:

First and Only reading of Resolution R2010-10, RELATING TO THE DECLARATION OF INTENT BY OCONEE COUNTY, SOUTH CAROLINA, TO REIMBURSE CERTAIN EXPENDITURES INCURRED PRIOR TO THE ISSUANCE OF FEDERALLY TAX-EXEMPT OR TAXABLE OBLIGATIONS BY THE COUNTY.

BACKGROUND OR HISTORY:

The County intends to issue general obligation bonds to finance the construction of a detention center during the next budget year. Internal Revenue Service regulations require a reimbursement resolution to allow certain expenditures incurred prior to issuance of the debt to be reimbursed from the debt proceeds.

SPECIAL CONSIDERATIONS OR CONCERNS:

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? Yes / No (review #2001-15 on Procurement's website)
If no, explain briefly:

STAFF RECOMMENDATION:

Approve first reading of R.2010-10.

FINANCIAL IMPACT:

None

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available? Yes / No
If yes, who is matching and how much:

ATTACHMENTS

Resolution R.2010-10


Reviewed By/ Initials:

 Via Email County Attorney Finance Grants Procurement

Submitted or Prepared By:

Approved for Submittal to Council:

Kendra Brown
Department Head/Elected Official


Scott Maulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

STATE OF SOUTH CAROLINA
OCONEE COUNTY
RESOLUTION R2010-10

RELATING TO THE DECLARATION OF INTENT BY OCONEE COUNTY,
SOUTH CAROLINA, TO REIMBURSE CERTAIN EXPENDITURES INCURRED
PRIOR TO THE ISSUANCE OF FEDERALLY TAX-EXEMPT OR TAXABLE
OBLIGATIONS BY THE COUNTY.

WHEREAS, the Internal Revenue Service and U.S. Treasury Department have promulgated Section 1.150-2 of the Treasury Regulations (the "Regulations") that authorizes an issuer to reimburse itself for expenditures made with respect to projects prior to the issuance of tax-exempt obligations for such projects; and

WHEREAS, the Regulations require that the governing body of the political subdivision declare an official intent to reimburse an expenditure not later than sixty (60) days after the payment of the expenditure; and

WHEREAS, the Oconee County, South Carolina (the "County"), anticipates incurring certain expenditures in an approximate amount of not exceeding \$500,000 (the "Expenditures") with respect to a detention center (the "Project"), prior to the issuance of tax-exempt or taxable general obligation bonds or other obligations (including Build America Bonds) by the County for such purpose; and

NOW, THEREFORE, BE IT RESOLVED, by the County Council (the "Council") of the County:

Section 1. The Council hereby declares that this Resolution shall constitute its declaration of official intent pursuant to Regulation § 1.150-2 to reimburse the County from the proceeds of federally tax-exempt or taxable general obligation bonds or other obligations (including Build America Bonds) issued by the County and approved by County ordinance for the Project.

Section 2. The County understands that Expenditures which may be reimbursed are limited to Expenditures which are (a) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Regulation §1-150-2) under general federal income tax principles; or (2) certain de minimis or preliminary expenditures satisfying the requirements of Regulation §1.150-2(f).

Section 3. The source of funds for the Expenditures with respect to the Project will be the County's general fund.

Section 4. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid, or (b) the date the Project was placed in service, but in no event more than three (3) years after the original Expenditures.

Section 5. This Resolution shall be in full force and effect from and after its adoption as provided by law. This Resolution shall be made available for inspection during normal business hours by the general public at the office of the County.

Adopted by the County Council of Oconee County, South Carolina, this 6th day of July, 2010.

OCONEE COUNTY, SOUTH CAROLINA

Reginald T. Dexter,
Chairman, Oconee County Council

(SEAL)

ATTEST:

Elizabeth G. Hulse
Clerk to Oconee County Council

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2010-19**

AN ORDINANCE AUTHORIZING THE TRANSFER AND CONVEYANCE OF CERTAIN REAL PROPERTY LOCATED IN AND OWNED BY OCONEE COUNTY, SOUTH CAROLINA TO THE SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LIMITED WARRANTY DEED EFFECTING SUCH TRANSFER AND CONVEYANCE, AND RATIFYING AN ACCESS AGREEMENT FOR SUCH REAL PROPERTY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), is the owner of that certain piece, parcel or tract of land lying and situate in the County along Sheep Farm Road and being more fully shown and designated on a deed of Oconee Memorial Hospital, Inc. dated July 11, 1959 and recorded in the office of the Register of Deeds for Oconee County, South Carolina on July 11, 1959 in Deed Book 7-W, Page 145, and having Oconee County TMS# 223-00-01-023; ("County Property"); and,

WHEREAS, the South Carolina Department of Transportation ("DOT") wishes to acquire, by purchase from the County, fee simple title to that certain piece, parcel or tract of land located along Sheep Farm Road and being a part or portion of the County Property ("DOT Property"), such DOT Property comprising approximately 0.453 acres, more or less, of such County Property, and being more fully described in the limited warranty deed of the County attached hereto as Exhibit A ("Deed"), all for the purpose of making substantial improvements to Sheep Farm Road; and,

WHEREAS, in consideration of the payment and other good and valuable consideration as stated in the Deed, the County desires to transfer and convey fee simple title in and to the DOT Property; and,

WHEREAS, DOT needs access to such DOT Property prior to third and final reading of this ordinance, and the County is willing to allow such access for the improvement of Sheep Farm Road, and has heretofore agreed to execute an access agreement, in favor of DOT, for such access for the benefit of the County and its citizens, and now desires to ratify such approval; and,

WHEREAS, Section 4-9-30(3) of the Code of Laws of South Carolina, 1976, as amended, (the "Code") authorizes the County to transfer or otherwise dispose of interests in real property.

NOW, THEREFORE, be it ordained by Oconee County Council, in meeting duly assembled, that:

1. Oconee County Council authorizes the conveyance to DOT of the DOT Property by execution and delivery of the Deed, and hereby ratifies and affirms the granting of prior access, by DOT, to such DOT Property.
2. The Chairman of Oconee County Council and the Oconee County Administrator are hereby authorized and directed to execute and deliver to DOT, on behalf of Oconee

County, the Deed in substantially the form attached as Exhibit A or with such minor changes as are not adverse to the County and as they may deem appropriate, and to take all other steps and actions as are necessary or appropriate to accomplish the grant and conveyance of the DOT Property contemplated by this Ordinance.

3. Should any portion of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such determination shall not affect the remaining terms and provisions of this Ordinance, all of which are hereby deemed separable.
4. All orders, resolutions, and enactments of Oconee County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded.
5. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by Oconee County Council.

ORDAINED in meeting, duly assembled, this _____ day of _____, 2010.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Reginald T. Dexter, Chairman, County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading: May 18, 2010
Second Reading: June 1, 2010
Public Hearing: June 15, 2010
Third Reading: July 7, 2010

Exhibit A

[see attached]

THE STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

TITLE TO REAL ESTATE
Approximate Survey Station

Road/Route S-402
 File 37.036298.A
 Item _____
 Project KM 06 (009)
 PIN 36298 RD01
 Tract 1

_____ 16+00 To 24+00 RT
 _____ S-402
 _____ To _____
 _____ To _____

KNOW ALL MEN BY THESE PRESENTS, That I (or we) Oconee County - 415 Pine Street, Wallhalla SC 29691-2145 in consideration of the sum of Twelve Thousand Five Hundred Dollars and no/100 (\$12,500.00) and other valuable consideration to me (or us) in hand paid at and before the sealing and delivering thereof, by the South Carolina Department of Transportation, Columbia, South Carolina, receipt of which is hereby acknowledged, have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release, unto the said South Carolina Department of Transportation, its successors and assigns, all that certain real property of the Grantor in fee simple absolute From: US 76123 Sandifer Boulevard to SC 28 Blue Ridge Boulevard on S-402 (Sheep Farm Rd), State and County aforesaid, as shown on plans prepared by the South Carolina Department of Transportation and dated June 3, 2009.

SPECIAL PROVISIONS: The above consideration is for all that certain parcel of land, containing 0.451 acre more or less, and all improvements thereon if any, owned by Oconee County shown as "The Area of Acquisition" on Exhibit A, attached hereto and made a part thereof. This being a portion of the property acquired from Oconee Memorial Hospital Inc. by deed dated 7-11-1959 and recorded 7-11-1959 in Deed Book 7-W, Page 145 in the records of Oconee County and shown as Tax Map No. 223-00-01-029.

Together with, all and singular, the rights, members, hereditaments and appurtenances thereto belonging, or in any wise incident or appertaining.

And I (or we) do hereby bind myself (or ourselves) my (or our) heirs, executor and administrators, to warrant and forever defend all and singular said premises unto said South Carolina Department of Transportation, its successors and assigns, against myself (or ourselves) and my (or our) heirs and against every person who may lawfully claim or to claim the same, in any part thereof.

TO HAVE AND TO HOLD in fee simple, absolute and singular the said property and the rights hereinbefore granted, unto the said South Carolina Department of Transportation, its successors and assigns forever.

IN WITNESS WHEREOF, I (or we) have hereunto set my (or our) hand(s) and seal(s) this _____ day of _____ in the year of our Lord, Two Thousand and Ten.
 Signed, sealed and delivered in the presence of:

Oconee County

1st Witness _____

Title _____ (U.S.)

2nd Witness _____

Title _____ (U.S.)

NOTE: All right of way agreements must be in writing and are subject to rejection by the South Carolina Department of Transportation.

THE STATE OF SOUTH CAROLINA
 COUNTY OF OCONEE

Personally appeared before me the undersigned witness and made oath that she/he saw the within named sign, seal and as their act and deed, deliver the within written instrument, and that she/he with the other witness whose signature appears above witnessed the execution thereof.

1st Witness _____

SWORN to before me this _____ day of _____, 2010.

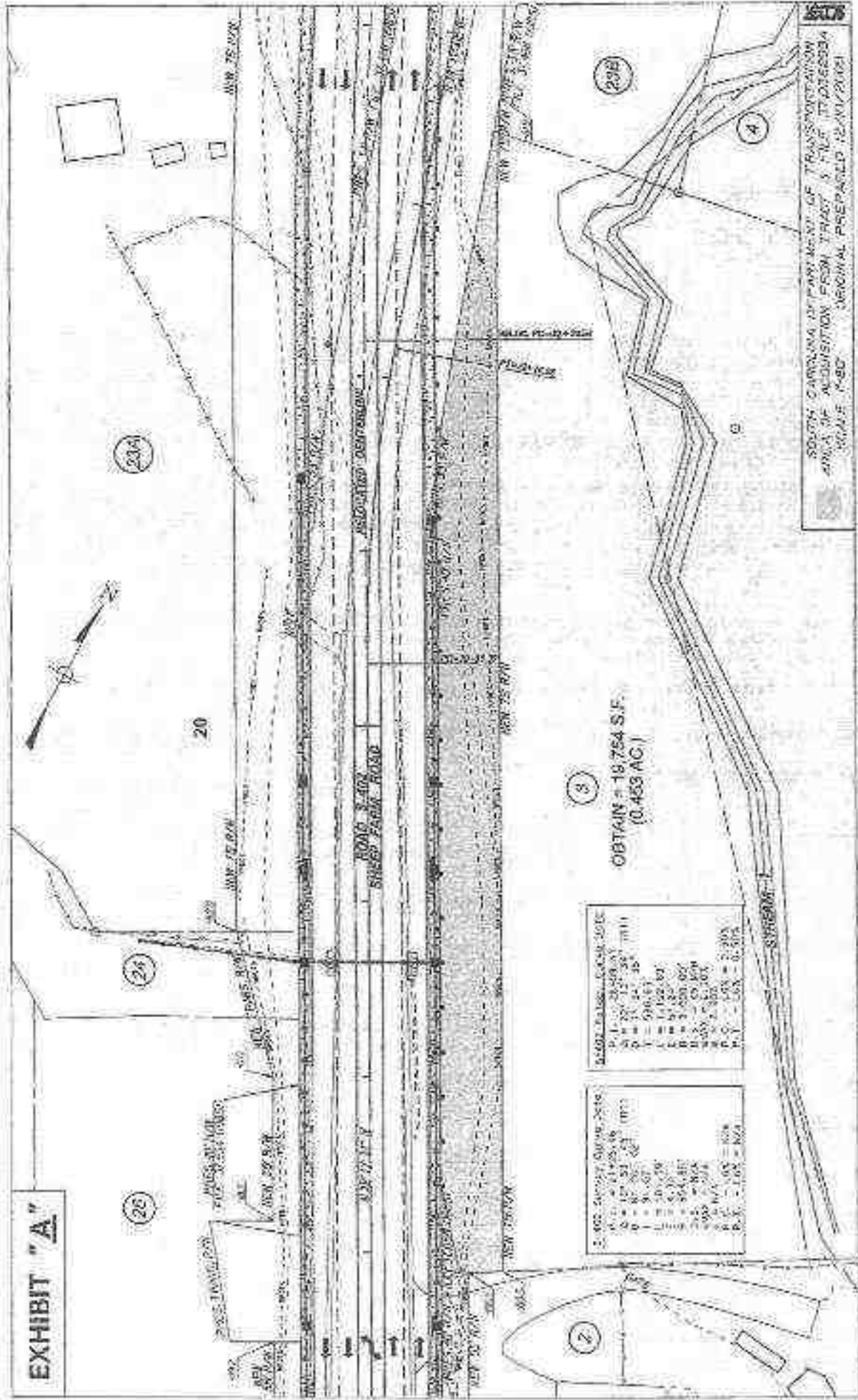
NOTARY PUBLIC FOR: SOUTH CAROLINA
 My Commission Expires: _____

G.RANTER'S ADDRESS: SCDOT, Director, Rights of Way, P.O. Box 191, Columbia, SC 29202-0191

Checked _____ By _____
 Recorded _____ By _____
 Project _____ File No. _____

Tract 1

EXHIBIT "A"



(3)
OBTAIN = 19,754 S.F.
(0.453 AC.)

2. 402 SHEEP FARM ROAD		2. 402 SHEEP FARM ROAD	
P. I.	23.258.00	P. I.	23.258.00
Q. I.	12.32.30	Q. I.	12.32.30
R. I.	11.32.30	R. I.	11.32.30
S. I.	10.32.30	S. I.	10.32.30
T. I.	9.32.30	T. I.	9.32.30
U. I.	8.32.30	U. I.	8.32.30
V. I.	7.32.30	V. I.	7.32.30
W. I.	6.32.30	W. I.	6.32.30
X. I.	5.32.30	X. I.	5.32.30
Y. I.	4.32.30	Y. I.	4.32.30
Z. I.	3.32.30	Z. I.	3.32.30
P. S.	1.05 = 608	P. S.	1.05 = 608
P. V.	1.05 = 608	P. V.	1.05 = 608

SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION
AREA OF ACQUISITION FROM TRACT 3 N.E. 17.000000
SCALE: 1"=80' ORIGINAL PREPARED 12/11/2001

**STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE NO. 2010-10**

AN ORDINANCE OF OCONEE COUNTY, SOUTH CAROLINA APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AGREEMENT BY AND BETWEEN OCONEE COUNTY AND KEOWEE RIVER PRESERVATION GROUP, LLC, WHEREBY CERTAIN PROPERTY WILL BE SUBJECT TO CERTAIN DEVELOPMENT STANDARDS; AND OTHER MATTERS RELATED THERETO

WHEREAS, Keowee River Preservation Group, LLC, a South Carolina limited liability company ("KRPG") is the owner of approximately 774 acres of property located in Oconee County, South Carolina, more specifically described in the attached Exhibit A and incorporated herein by this reference (the "Land");

WHEREAS, the Local Governmental Development Agreement Act, S.C. Code §§ 6-31-10 to 6-31-160 (the "Act"), authorizes county councils to enter into development agreements with developers;

WHEREAS, the County (as hereinafter defined) will benefit from the development of the Land through the expansion of its tax base, the addition of needed infrastructure and the certainty and control of growth within the Land;

WHEREAS, this Act provides for the vesting of certain property rights and protects such rights from the effect of subsequently enacted laws and provides a reasonable certainty to the KRPG and the County to the lawful requirements that must be met in the development of the Land;

WHEREAS, the Act authorizes the County to enter into binding development agreements with persons or entities intending to undertake any development on real property containing twenty-five acres or more of highland and having a legal or equitable interest in the real property to be developed;

WHEREAS, KRPG and the County seek predictability in the development process so as to encourage the maximum efficient utilization of resources at the least economic cost to the public;

WHEREAS, public benefits and facilities will be derived from KRPG and the County entering into a development agreement authorized by the Act and this Ordinance;

WHEREAS, the willingness of the County and KRPG to agree in advance to the general development standards applicable to the Land serves to foster and facilitate the cooperation and coordination of the requirements and needs of the County and KRPG;

WHEREAS, the County has adopted County Ordinance No. 2010-09, establishing procedures and requirements for considering and entering into site specific development agreements (the "Development Agreement Ordinance for Oconee County, South Carolina");

WHEREAS, KRPG and the County have caused to be prepared and presented to this meeting the form of the development agreement which the County proposes to execute and deliver to KRPG; and

WHEREAS, it appears that the development agreement above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be approved, executed and delivered by the County for the purposes intended;

NOW, THEREFORE, BE IT ORDAINED, BY OCONEE COUNTY, AS FOLLOWS:

Section 1. SHORT TITLE. This Ordinance may be cited as the Keowee River Preservation Group Development Agreement Ordinance.

Section 2. DEFINITIONS

(A) As used in this Ordinance:

1. "Act" means the South Carolina Local Development Agreement Act, codified as S.C. Code §§ 6-31-10 to 6-31-160 (2014), as may be amended from time-to-time.
2. "Agreement" means the Development Agreement in form attached hereto as Exhibit B and incorporated herein by this reference.
3. "Clerk" means the Clerk of the Council.
4. "Code" means the South Carolina Code of Laws, 1976, as amended.
5. "Council" means the Oconee County Council.
6. "County" means Oconee County, South Carolina.

(B) Unless the context clearly indicates otherwise, terms not otherwise defined in this Ordinance have the meanings set forth in the Act.

Section 3. The form, terms and provisions of the Agreement are hereby approved. The Chairman (or in his absence for any reason, the Vice Chairman) of the County Council is hereby authorized, empowered and directed to execute, acknowledge and deliver the Agreement in the name of and on behalf of the County, and thereupon to cause the Agreement to be delivered to KRPG. The Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the officials of the County executing the same, with the advice of counsel, in order to accomplish the purposes of the transactions authorized by this Ordinance, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Agreement now before this meeting.

Section 4. The Chairman of the County Council and the Clerk to County Council, for and on behalf of the County, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Agreement and the performance of all obligations of the County under and pursuant to the Agreement.

Section 5. It is hereby found, determined and declared by the County, acting by and through the Council, that (i) the Agreement is consistent with the County's Comprehensive Plan, the Act and current regulations of the County and (ii) the Agreement and the approval of the Agreement by the County, acting by and through the Council, complies with the procedure, terms and conditions of the

Development Agreement Ordinance for Oconee County, South Carolina.

Section 6. To the extent of any conflict between the terms and conditions of the Agreement and/or this Ordinance with the terms and conditions of any laws, ordinances, regulations, permit approval processes or permit approval processes previously enacted or hereinafter enacted by the County, the terms of this Agreement and/or this Ordinance shall control.

Section 7. If any section, subsection or clause of this Ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected thereby.

Section 8. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**THIS ORDINANCE IS EFFECTIVE IMMEDIATELY UPON FINAL READING,
SIGNED, SEALED AND DELIVERED AS OF THIS _____ DAY OF _____, 2010.**

OCONEE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Chairman, County Council
Oconee County, South Carolina

ATTEST:

Clerk to County Council of Oconee
County, South Carolina

First Reading: April 6, 2010
Second Reading: July 6, 2010
Public Hearing: _____, 2010
Third Reading: _____, 2010

EXHIBIT A

Legal Description of the Land

All that certain tract of land located in Oconee County, South Carolina, designated as "773.70 Ac." on plat recorded in Plat Book B245, Pages 1 and 2 ("Plat"), **AND BEING** all or a portion of the land conveyed to Crescent Land & Timber Corp. (presently known as Crescent Resources, LLC) by deed from Ahney Mills (K-777) recorded in Deed Book 10K, Page 43; by deed to S. C. Land & Timber Corp. (presently known as Crescent Resources, LLC) from Ralph Phillips, et al. (K-1) recorded in Deed Book 9D, Page 308; by deed to Crescent Land & Timber Corp. from Charles A. Burton, et al. (K-985) recorded in Deed Book 11G, Page 221; by deed to Crescent Land & Timber Corp. from Burton and Williams (K-989) recorded in Deed Book 11H, Page 38; and by deed to Crescent Land & Timber Corp. from Waymon Hughes (K-991) recorded in Deed Book 11G, Page 336.

All references to recording information shall refer to documents that were recorded in the Office of the Register of Deeds of Oconee County, South Carolina.

The foregoing property currently being identified on Oconee County tax records as Tax Parcel Nos. 181-00-01-001, 210-00-01-001 and P/O 165-00-01-001A.

EXHIBIT B

Form of Development Agreement

See attached

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

I, the undersigned Clerk to County Council of Oconee County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received approval by the County Council at its meetings of _____, 2010, _____, 2010 and _____, 2010, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

Elizabeth G. Hulse
Clerk to Oconee County Council
Oconee County, South Carolina

Dated: _____, 2010

KEOWEE RIVER

COMMUNITY

DEVELOPMENT STANDARDS

Effective Date: _____, 2010

**THIS DOCUMENT IS THE PROPERTY OF
KEOWEE RIVER PRESERVATION GROUP, LLC.
THE REPRODUCTION, COPYING OR USE OF
THIS DOCUMENT WITHOUT WRITTEN
CONSENT IS PROHIBITED AND ANY
INFRINGEMENT WILL BE SUBJECT TO LEGAL
ACTION.**

Table of Contents

	Page
Chapter 1 INTRODUCTION	
1.1 Purpose	1
1.2 Objective	1-2
1.3 Scope	2
1.4 Design Flexibility	2-3
1.5 Land Development Design Objectives	3-4
1.6 Engineering Design Accountability	4-5
1.7 Future Changes and Revisions	5
1.8 Language and Interpretation of Text	5
Chapter 2 ROADWAY REGULATIONS	
2.1 Purpose of Roadway Regulations	6
2.2 Private Road Standards for Keowee River Community	6-8
2.3 Private Driveways	8-9
2.4 Private Drives	9
2.5 Road Names	9
2.6 Road Construction	9-11
2.7 Compaction & Testing	11
2.8 Road Inspections	11-12
2.9 Financial Responsibility for Maintenance	12
2.10 Road Swales & Channels	12
2.11 Roadside Drainage	12
2.12 Temperature and Weather Restrictions on Asphalt Paving Work	13
2.13 Drainage Structures	13-14
2.14 Regulating the Use of Roadways in Keowee River	14
Chapter 3 WATER QUALITY AND GREEN TECHNOLOGIES	
3.1 Purpose	15
3.2 Water Quality BMP Design Standards	15
3.3 Non-Structural Controls	15
3.4 Structural Controls	15-16
Chapter 4 SETBACKS, BUFFERS, and BUILDING HEIGHT STANDARDS	
4.1 Purpose	17
4.2 Building Height Standards	17
Chapter 5 SPEED LIMIT	
5.1 Purpose	18
5.2 Minimum and Maximum Design Speed Limit	18



DEVELOPMENT STANDARDS

Appendix A Legal Description of Keowee River Community	AI
Appendix B Standard Details	B1-B15

1.1 Purpose

The purpose of the Keowee River Community Development Standards (the "Standards" or "Development Standards") is to establish minimum standards for design and construction of land development projects and related infrastructure within the Keowee River Community. The Keowee River Community is comprised of approximately 773.7 acres and is more particularly described on Appendix A attached hereto. The Standards are intended to protect and promote the general welfare of all residents and members of the community who live and visit the Keowee River Community by providing quality infrastructure and development through:

- Livable neighborhoods with pedestrian oriented design concepts.
- Responsibly managed quality development.
- Incorporating green technologies throughout the development.
- Providing a facility that is inclusive for all members of the community.
- Providing an integrated community of commercial districts and residential neighborhoods.
- Promoting an active living lifestyle and outdoor recreation.

These Standards are being created by the Keowee River Preservation Group, LLC, a South Carolina limited liability company, its successors and/or assigns ("Developer") and approved by Oconee County, South Carolina, acting by and through its County Council, as part of the Keowee River Development Agreement, approved by Oconee County Council, to provide the best practical design for site development activities within the Keowee River Community and to promote functional and sustainable low impact initiatives.

1.2 Objective

The major objective of the Development Standards for the Keowee River Community is to provide sound, responsible infrastructure satisfying federal, state, and local (except, only as modified hereby) requirements while allowing the development of the Keowee River Community to maintain its character and natural beauty. The goals of the Development Standards are:

- Design/construction of safe and durable streets, driveways and parking lots.
- Design/construction of durable wastewater systems with respect to design life, capacity, and pollution mitigation.
- Design/construction of storm water drainage systems to reduce flooding and other drainage problems.

- Reduction and control of stormwater pollution through sound design features.
- Properly planned and installed measures for erosion prevention and sediment control.
- Complete plans for the Keowee River Community ensuring grading, sediment and erosion control and utility issues are properly addressed.
- Maintain the natural character and beauty of the site by utilizing the existing beauty on site whenever possible.
- Encourage the incorporation of green technologies.
- Encourage the integration of commercial districts with residential neighborhoods.
- Encourage landscape plantings in commercial districts as well as residential neighborhoods to further enhance the development of the Keowee River Community.

1.3 Scope

The scope of the Development Standards for the Keowee River Community includes procedures and criteria for the design and evaluation of wastewater and stormwater utility, streets, land development plans, green technologies and related infrastructure.

The Development Standards for the Keowee River Community is not intended as a textbook or a comprehensive engineering design reference. Most types of engineering calculations are not explained or defined either due to the very complex nature of the subject matter or the fact that the design equations and methods are well-known to most competent practicing engineers who claim expertise in the area of land development.

The Keowee River Community will meet the standards defined by federal, state, and local (as modified hereby) requirements; the Standards follow sound, responsible, and current engineering practice; the use of the Standards will expedite the review process; and the Standards establish a standard of responsibility, clarity, and professionalism to be incorporated into all design. However, these Standards are not intended to replace the judgment of the design professional that must thoroughly investigate field conditions and coordinate all design efforts and nothing herein is intended to, or shall be interpreted as to abrogate, in any regard, any federal or state land use development standard, or any local development standard, except as explicitly stated herein; all other local land use development standards and regulations otherwise remaining in full force and effect.

1.4 Design Flexibility

The intent of the Development Standards is to ensure that minimum requirements are met with respect to development of the Keowee River Community. These minimum requirements shall be enforced in a fair and impartial manner based upon sound

engineering judgment and the objectives described herein. The Development Standards are presented with the realization that every case will not be covered. Unique conditions may preclude the practical application of the Standards details and/or design criteria. Moreover, new technology, products, and techniques are encouraged and may be specified by the design engineer. The design professional, along with the Developer, development team, and contractor, are strongly encouraged to schedule a pre-design/pre-permit conference to discuss the project scope, permitting requirements and site objectives. As provided in Section 2.3 of said Development Agreement, subject to the terms of the Act, the Laws applicable to the development of the Property are those Laws in force on the Effective Date. To the extent of any conflict between the County's Comprehensive Plan, the County's Land Development Regulations, the County's Laws and these Development Standards, the terms and conditions of these Development Standards shall control to the extent permitted by law. As provided in Section 2.3 of said Development Agreement, the County agrees to issue any Development Permit necessary for the development of the Property so long as any submittal by Developer for a Development Permit complies with these Development Standards, and the procedures and requirements of the County's development standards, Land Development Regulations and Laws in effect as of the Effective Date otherwise applicable for County permits. As provided in Section 2.3 of said Development Agreement, Developer agrees that the Property and the development of the Property shall be subject to the terms and conditions of these Development Standards and that otherwise all County Land Development Regulations in effect on the Effective Date shall apply. As provided in Section 2.3 of said Development Agreement, it is specifically acknowledged and agreed that, to the extent permitted by law, any development standards, Land Development Regulations and Laws adopted, modified and/or amended by the County after the Effective Date shall not be applicable to the Property without the prior written consent of Developer, which consent may be withheld by Developer in Developer's sole discretion. The Development Standards have been adopted and approved by the County pursuant to that certain Development Agreement dated _____, 2010 between the County and the Developer.

1.5 Land Development Design Objectives

Design objectives for the Keowee River Community must:

1. Provide safe and functional design of roads, streets, driveways, and parking lots.
2. Provide safe and functional design of sidewalks, walkways, trails and other pedestrian routes.
3. Provide safe and functional design of stormwater inlets, culverts, pipes, open channels, and other conveyance.

4. Minimize flooding, interruptions of utility service, traffic inconvenience and potential water damage to residences and businesses.
5. Minimize the amount of public expenditures needed for maintenance of streets, wastewater systems, and storm water facilities.
6. Minimize the amount of public expenditures needed for flood control projects and flood relief efforts.
7. Promote appropriate design life of wastewater systems and mitigate exfiltration and infiltration of the system.
8. Promote preservation of trees, woods, natural meadows and other green spaces where practical.
9. Protect and enhance streams, wetlands, waterways and rivers for wildlife and plants by reducing storm water pollution, erosion, and negative storm water impacts.
10. Promote development of recreational facilities and design aesthetics along streams, waterways, wooded areas and other greenways to benefit local neighborhoods.
11. Promote sustainability and low-impact development initiatives.

1.6 Engineering Design Accountability

The Development Standards for the Keowee River Community have been developed to provide information to assist in the design and layout for the development of the Keowee River Community. The Standards do not replace or otherwise excuse the need for professional engineering judgment and knowledge but rather are prepared and adopted to work with design engineers to incorporate concepts into the development of the Keowee River Community that would not normally be utilized in a standard development project, such as green technologies. The Developer will work with the design engineer on specific aspects of detailed design and interject ideas specific to the development of the Keowee River Community. The Developer and Developer's development team will review plans for the development of various components of the Keowee River Community to ensure that the following items are being considered:

- Public health and safety.
- Site-specific conditions or unusual features of a project site that warrant special designs.
- Current versions of design texts, manuals, technical documents and research.

All plans and supporting documents must be sealed by a design professional, e.g. professional engineer, registered in the state of South Carolina. Plan documents include site plans, applicable details, calculations, construction specifications and other necessary technical documents.

Storm water design criteria should be based upon current scientific knowledge and engineering judgment. It should be realized that flooding may occur at any time due to any number of factors beyond the reasonable control of the Developer, such as greater amounts of precipitation or different rainfall patterns than used in design storms, wet soil conditions, debris or blockage of key storm water channels, high groundwater tables, etc.

1.7 Future Changes and Revisions

The Development Standards for the Keowee River Community may be periodically updated by Developer as necessary to provide additional clarity or to reflect changes generally recognized as best practice in the appropriate professional and trade industries, but such updated standards will only become effective and applicable to the Keowee River Development Community upon approval by Oconee County Council, upon recommendations of the Oconee County Planning Staff and Planning Commission (said approval and said recommendations not to be unreasonably withheld, delayed or conditioned). The Developer will be responsible for initiating and defining all amendments and revisions to the Development Standards. Technical revisions and corrections to these Standards shall be made by Developer as necessary in accordance with good engineering standards and practice. Technical revisions require the approval of the Developer in accordance with recommendation by the Developer's engineer. If technical revisions are deemed necessary, the revisions may occur through either planned periodic revision or an accelerated process when it is determined that an immediate revision is necessary.

1.8 Language and Interpretation of Text

The following language rules are applicable to the Development Standards:

1. The imperative case is always mandatory. The words "shall" and "must" are always mandatory. These actions must be performed unless sufficient engineering justification is submitted to Developer and the Developer's design engineer for approval.
2. The words "should" and "recommend" indicate an action that is highly recommended under most conditions. The words "may" and "suggest" indicate an allowable action or choice that is usually beneficial in meeting the minimum development requirements.
3. Use of the singular or plural case of a noun will not affect the applicability of this manual, or any other law, regulation, or Standards, unless the context of the sentence specifically indicates that the singular/plural case affects the intended use or function on a scientific or engineering basis. The use of a singular or plural noun does not necessarily indicate whether to design or construct a single unit or multiple units.

Section 2: Roadway Regulations

2.1 Purpose of Roadway Regulations

The purpose of roadway regulations is to help define the minimum design Standards for proposed Driveways, Private Drives, and Private Roads for the Keowee River Community. Details are included in Appendix B. In all cases not covered under these criteria, American Association of State Highway and Transportation Officials (AASHTO), "A Policy on Geometric Design of Highways & Streets" latest edition shall rule.

2.2 Private Road Standards for Keowee River Community

All roads are to be private and shall be owned and maintained by the Developer or its successors or assigns. Private Roads located in the Keowee River Community shall conform to the following standards:

Road Geometric Criteria

1. Minimum pavement and shoulder width shall be as shown on the roadway details in Appendix B.
2. All road right-of-ways will be determined by Developer and vary based on final layout and design of each phase to minimize impact to adjacent land. Minimum right-of-way to be 30 feet.
3. Road grades for private residential roadways shall be no less than 0.5% and the maximum shall not be more than 17%. The location of all slopes exceeding 12% shall be reviewed with the Fire Marshall.
4. Road grades for commercial roadways shall be no less than 1% and the maximum shall not be more than 16%.
5. Grading and Stabilization of Street Rights-of-Ways. When a road is proposed, all trees, brush, stumps, rocks, or other debris shall be cleared from the right-of-way, except where said items are to be preserved as designated by the Developer.
6. If the Developer proposes a planted median island, the median shall be centered in the right-of-way. The right-of-way may vary as needed depending on the median design. Sufficient spacing between the edge-of-pavement and right-of-way shall remain to allow utility access and placement. The Developer or its successors and assigns, subject to reimbursement by residents of the Keowee River Community, shall be responsible for maintaining any median vegetation. All planted medians shall be drained and maintained by methods developed by a qualified consultant.
7. Exits for surface water will be at the design engineer's discretion. Catch basins, curb cuts, and drainage ditches are adequate means for collecting and discharging surface runoff. Sheet flow will be utilized when possible.

8. Roads will provide access to lots, town home parking lots, villa parking lots, dwellings, commercial lots as needed.
9. Dead End Streets and Cul-De-Sacs. Streets that dead end shall terminate in a cul-de-sac (details in Appendix B), unless otherwise approved by fire officials. Dead end streets without turnarounds are prohibited. All unpaved islands located within perimeters of a cul-de-sac will ideally be centered within the right-of-way, curbed and properly drained. Medians may be shaped as needed to best suit the conditions of the roadways in the development. If curbing is not utilized, a 12" concrete ring must be placed around the median island. Asphalt cannot be placed to island's edge. The area utilized by any unpaved island shall not be considered part of the minimum area needed to meet the required dimensions for the cul-de-sac or right-of-way and shall be governed by the same Standards for planted median islands, as set forth in this article.
10. Roads will have an appropriate encroachment permit from either the county or the South Carolina Department of Transportation, as needed where they encroach on public rights of way.
11. Roundabouts are a successful proven form of traffic control as an alternative to the more conventional intersection control methods. The basic geometric design guidelines for typical roundabouts include the central island of a roundabout, surrounded by the circulating 1 way roadway. One way roadways are to have a minimum width 15' for residential roadways. The size of the central island is determined principally by the space available and the need to obtain sufficient deflection to control through vehicle speed, while providing adequate radii for required turning movements.
12. Minimum centerline radius shall be 125 feet for residential roads and 150 feet for commercial roads.
13. Vertical (crest-sag) Curves. Changes in vertical grade shall be connected by vertical curves of minimum length equal to 20 times the sum of both approaching grades stated in percent of grade (min K value = 20). Example: A five percent slope upward meeting a four percent slope downward requires a curve length of $9 \times 20 = 180$ feet.
14. Roads will be named in accordance with adopted E-911 Addressing regulations and procedures.
15. Roads will meet all applicable storm water management and sediment control regulations.
16. Roads will comply with all current fire regulations and codes. When private drives offer access into parking lot areas, fire lanes may be designated in parking lots to provide the necessary space for fire trucks parking.
17. Parcel boundaries will extend to road right of way line. In areas where private drives cross public right of ways, the Developer or its successors or assigns will be responsible for maintenance of these drives in public right of way areas.
18. Stopping distance on vertical curves, horizontal curves, or normal intersections shall be recommended at the discretion of the design engineer for the project.

- a. The sight distance shall be measured from a seeing height of 3½ feet, offset 15 feet from edge of road, to an object 4½ feet in height above the grade of the public road, as stated in SCDDOT's 1996 Access and Roadside Management manual.
 - b. Minimum sight distance at intersections shall provide a clear sight triangle. The right-of-way shall be clear of obstacles to enable the minimum sight distance required, as determined by the speed limit of the road being accessed increases. The necessary right-of-way in either direction shall be entered upon the final plat prior to recording. Modifications may be required by the Design Engineer in order to insure safety.
19. Roads shall be designed to intersect as nearly as possible at right angles. In no case shall the angle of intersection be less than 60 degrees. Minimum radius of curb or pavement edge at intersections shall be at least 25 feet.
 20. Proposed intersections on one side of a road shall coincide with existing or proposed intersections on the opposite side. Minimum centerline offset for intersections on the opposite side of a road shall be 100 feet.
 21. In cases where utilities cannot be placed in right of way, adequate utility easements will be provided as needed by utility providers.
 22. Sidewalks/trails will be allowed in the right of way. Sidewalk/trail material and placement will be determined on an as needed basis. The sidewalks will be maintained by the Developer or its successors and assigns, subject to reimbursement by residents and individual lot owners of the Keowee River Community.
 23. Bridges/Culverts: Bridges/culverts in right-of-ways shall meet current AASHTO standards. All bridges/culverts over which a private drive crosses a perennial stream must include appropriate signage located at each end of the bridge/culvert displaying the structure's weight limits.
 24. Alternate surface materials, including, but not limited to cobblestone, concrete pavers, etc. may be utilized in lieu of asphalt surfacing. The Developer also reserves the right to utilize other alternate surfaces treatments on an as needed basis.
 25. Parking shall be allowed directly adjacent to private roads as shown on the Roadside Parking Detail, page B-6.

2.3 Private Driveways

Private driveways shall serve up to 10 residential dwellings. Private driveways provide access to residential properties where the street is designed with a narrow width to provide limited on street parking, or where private driveway access development is desired to increase residential densities. Private driveways may also provide delivery access or alternate parking access to commercial properties. Easements for utilities may be reserved under private driveways and other portions of the Keowee River Community and granted to utility providers as needed. The location and dimensions of easements

will be noted on plans, recorded surveys or plats. Private driveways are to be owned and maintained by property owners served and can vary in width from two 8 foot lanes for two-way traffic or one 12 foot lane for one-way traffic. Private driveways that exceed 150 feet in length shall require a minimum 20 foot wide stone base centered under the pavement to support fire vehicle access. Alternative methods to provide a stable fire lane may be employed pending review and approval of the county fire marshal. Base can be covered with pavers or grass outside pavement width.

2.4 Private Drives

Private drives shall serve greater than 10 residential dwellings. Private drives shall have an appropriately executed private drive easement. Easements for utilities may be reserved under private drives and other portions of the Keowee River Community and granted to utility providers as needed. The location and dimensions of easements will be noted on plans, recorded surveys or recorded plats. Private drives are to be owned and maintained by property owners served and can vary in width from two 9 foot lanes for two-way traffic or one 15 foot lane for one-way traffic. See Appendix B for design details for private drives. Private drives that exceed 150 feet in length shall require a minimum 20 foot wide stone base centered under the pavement to support fire vehicle access. Alternative methods to provide a stable fire lane may be employed pending review and approval of the county fire marshal. Base can be covered with pavers or grass outside pavement width.

2.5 Road Names

If a proposed roadway in the Keowee River Community will be an extension of an existing named road the road extension shall bear the name of the existing road. Except for the above, in no case shall the name of a proposed private drive, driveway, road or public roadways road duplicate or be phonetically similar to an existing road name, irrespective of the use of suffix (road, avenue, boulevard, drive, place, court, lane, etc.). All new private drives, driveways, roads or public roadways in the Keowee River Community will be required to provide names to Oconee F-911 Addressing Office and will be required to obtain approval prior to having a final plat produced.

2.6 Road Construction

In general, all roads shall be constructed in accordance with the SCDOT "Standards Specifications for Highway Construction" (latest edition) as it related to earthwork, buses/sub-buses, paved surfaces, etc. The following requirements shall also apply:

1. Compaction of the aggregate shall comply with the Standards set forth in Section 2.7 of these Standards.

2. Paved roadways in the Keowee River Community shall conform to the standards defined in Appendix B.
3. When possible, the entire right-of-way area shall be cleared of all stumps, roots, brush, and other objectionable materials prior to grading roads. All existing vegetation located within the proposed road right-of-way that is to remain shall be noted on plans and have proper fencing installed to be protected during construction. When possible, tree stumps and other vegetation shall be removed to a depth of two feet below the sub-grade. Rock, when encountered, shall be scarified to a minimum depth of three inches below sub-grade.
4. All debris and other material deemed unsuitable shall be removed before placement of dirt or soil is placed in fills for the subgrade. Unsuitable materials include: organic matter, unstable soil, trash, large stones, or other items that prevent the soil from being properly compacted.
5. All fill lifts shall be formed by placing and spreading the material in successive, uniform, horizontal layers of not more than six inches in depth for the full width of the cross section and shall be kept level by the use of approved equipment. Prior to each subsequent layer the compacted layer shall be scarified before placing fill. It is recommended that compaction tests be performed at the completion of any six-inch lifts being made. Each level will be compacted to a 95 percent proctor.
6. Suitable material shall be placed in the embankment for the formation, compaction, and shaping of all embankments, subgrades, shoulders, slopes, intersections, approaches and private entrances to conform to the typical cross section shown on the approved road construction plan.
7. When an embankment is to be on a hillside or against an existing embankment sloping more than 20 degrees from the horizontal, the slope of the hillside or existing embankment shall be plowed deeply or cut into steps before filling is commenced. All embankments shall be formed by placing and spreading the material in successive, uniform, horizontal layers of not more than six inches in depth for the full width of the cross section and shall be kept level by the use of approved equipment.
8. All pipe culverts shall consist of the following materials:
 - a. Reinforced concrete conforming to the requirements of American Association of State Highway Officials (AASHTO) M170 Class 3 pipe.
 - b. High density polyethylene (HDPE) corrugated with a smooth interior pipe conforming to the requirements of American Association of State Highway Officials (AASHTO) M294M, Type S pipe.
 - c. All pipe culverts shall be of sufficient size to adequately insure proper drainage. Culvert analysis will be performed by a professional engineer licensed by the State of South Carolina. Culvert analysis will be performed as defined in Sections 2.10 and 2.13 of these Standards. Rip-rap shall be securely installed over an approved silt barrier to the height of the high water mark around the end of all pipe culverts.

9. In the event that the crossing of a watercourse necessitates the use of a bridge, the bridge materials, span, location shall be at the discretion of the Developer and shall conform to the requirements of the AASHTO.
10. All drainage inlets and outlets not accessible from the road right-of-way must include a permanent easement allowing the Developer access to the adjacent property needed to perform necessary maintenance work. A designated 20' drainage easement will be provided as needed around inlet/outlet locations, discharge locations and drainage ways and shall be shown on any applicable recorded surveys and recorded plats.

2.7 Road Compaction and Testing

Compaction of sub-grade and base courses shall conform to the applicable sections of the latest published edition of the South Carolina Highway Department Standards Specifications for Highway Construction. A loaded (minimum of 60,000 lbs. gross weight) tandem roll test of the sub-base shall be performed. Compaction tests may be directed by the design engineer or his designated representative during an intermediate six-inch lift. A loaded (minimum of 60,000 lbs. gross weight) tandem roll test will also be performed upon setup of the base material prior to paving the road. Any sub-standard materials will be replaced and retested as directed by the Design Engineer or his designated representative. Upon completion of a road, all fills shall be protected by either seeding or rip-rap. All fills of 2 $\frac{1}{2}$:1 or steeper shall be protected by rip-rap. Shoulders and other disturbed soil along the entire cleared area of the right-of-way shall be seeded in such a manner as to ensure uniform sod.

2.8 Road Inspections

All required improvements shall be inspected by the Developer's Engineer at various stages of construction. The Developer's Engineer shall make a final inspection upon completion of construction and shall report the results of the final inspection in writing to the applicant's engineer. The applicant's engineer shall certify to the Developer's Engineer, after the final inspection and report thereon are made, that the required improvements were made in accordance with the Development Standards and all approved plans.

The costs of inspection, including compensation of the Developer's Engineer shall be paid by the applicant prior to the issuance of the certificate of completion. The Developer's Engineer shall establish and determine the costs of inspection. If the applicant does not directly pay the costs of inspection, the certification of completion will be held.

Inspections by the Developer's Engineer shall be required for the following:

- At the completion of clearing and grubbing operations.

- At the completion of rough grading.
- At the completion of all utility construction along road right-of-way (including but not limited to water, sewer, electrical).
- At the completion of sub-grade.
- After installation and compaction of base course.
- During all pavement applications.
- Final acceptance inspection.

2.9 Financial Responsibility for Maintenance

Following certification of completion by a licensed professional engineer of any road constructed in the Keowee River Community in accordance with the Standards, the Developer or its successors and assigns shall be financially responsible for all maintenance necessary due to deficiencies resulting from initial construction for a period of three years. The Developer shall post a bond or a letter of credit for the estimated cost of maintaining the road for three years from the date of acceptance. The Design Engineer shall determine the amount of the bond or letter of credit. The bond or letter of credit shall expire after three years from the date of acceptance of the road, or in the case of a subdivision road, after a build out of 70 percent of the subdivision, whichever occurs first. In order to facilitate the acceptance process, once a road had been substantially completed the Developer may request a written punch list from the Design Engineer. The punch list will note the items that must be completed prior to being deemed complete by the Design Engineer.

2.10 Road Swales and Channels

All roadway ditches and channels shall be designed to contain, at minimum, a peak flow from a 10-year frequency storm. All roadway ditches and channels shall be designed so that the velocity of flow expected from a 10-year frequency storm shall not exceed the permissible velocities for the type of lining used. Rip-rap shall be placed for stops in road drainage swales as instructed by the design engineer. Swales shall be stabilized against erosion as determined by Design Engineer. Road swales shall be installed at a maximum depth of three feet and be designed to enable mowing by adjoining property owners.

2.11 Roadside drainage

Roads may be constructed with drainage swales shoulders at a 12:1 slope. Where road grade exceeds ten percent, curb and gutter, paved drainage swales, or rip rap swales shall be provided. Curb and gutter may be roll type or Standards 90 degree curb.

2.12 Temperature and Weather Restriction on Asphalt Paving Work

No hot mix asphalt surfacing work shall be performed on wet surface, or when the temperature is below 45 degrees Fahrenheit in the shade and falling, or when weather conditions are otherwise unfavorable. The mixture shall be delivered to the spreader at a temperature between 225°F and 325°F and, except for sand asphalt mixture for base course construction, within 30°F of the temperature at the plant.

2.13 Drainage Structures

1. Cross line pipes shall be designed to carry runoff from a 25-year, 24-hour design storm and shall be in accordance with Section 2.7.8. The design shall be determined using Standards methods and runoff data. In no event shall a pipe less than 15 inches in diameter be permitted. Cross line pipes or structures along waters of the State shall be designed to pass a 100-year, 24-hour design storm.
2. Concrete culverts must conform to South Carolina Highway Department requirements. HDPE double wall corrugated with a smooth interior pipe conforming to the requirements of American Association of State Highway Officials (AASHTO) M294M, Type S pipe or an approved equivalent shall be accepted where sufficient fill over the pipe is provided. No corrugated metal pipes shall be accepted. No culvert shall be less than 15 inches in diameter.
3. All pipes shall be laid in a trench unless approved at the discretion of the design engineer prior to construction. All trenches shall be excavated so as to allow for safe and proper installation. All backfill work shall comply with Standards specified by the pipe manufacturer; however, in no case shall backfill covering a culvert be less than ten inches deep (pavement and/or base thickness shall not be considered part of this required minimum depth). All fill shall be compacted to 95 percent of Standards proctor test in the top foot of fill.
4. The jointing of sections of culvert shall be done in a workmanlike manner in accordance with the Standards practice recommended by the manufacturer of the culvert being used.
5. The ends of all pipe culverts shall be properly protected to prevent piping, erosion and scour. Placement of filter fabric and rip-rap shall be considered minimum treatment. End treatments shall be approved by the Design Engineer and shown on the plans.
6. All cross line drainage culverts shall be located in natural drainage areas or depressions, and shall terminate in a dedicated drainage easement no less than 20 feet wide.
7. Junction boxes of an approved type will be constructed at all points where the line of pipe changes course or direction ten degrees or more and at proper intervals along the line of pipe.
8. A means of access to inlet and outlet points of drainage structures and appurtenances must be provided and shown on the plans.

9. When possible, green technologies for water quality should be utilized. See Section 3 for further detail.

2.14 Regulating the use of Roadways in Keowee River

Any person, entity or utility that engages in an activity which causes damage to roadways inside the Keowee River Community will be responsible for repairing said road or road structure to SCDOT Standards specifications for highway construction. This excludes normal wear and tear to a road caused by normal use of said road.

Any person driving, operating or moving any vehicle, object or contrivance upon any roadways inside the Keowee River Community or road structure inside Keowee River Community shall be liable for any damage which road or structure may sustain as a result of dragging, scraping, breaking or any other damage done to said road or structure. Any such persons will also be liable to the Developer and any other property owner(s) of the Keowee River Community for the cost of such injury or damage.

Any person making unauthorized modifications to roadways inside the Keowee River Community or road structure roadways inside the Keowee River Community shall be responsible for the costs of returning the road or structure to its original condition.

Section 3: Water Quality and Green Technologies

3.1 Purpose

The purpose of this section is to define post construction storm water Best Management Practices (BMP's) technologies and techniques that will be encouraged on site at Keowee River Community beyond minimum practices required by federal and state regulations.

3.2 Water Quality BMP Design Standards

The intent of water quality control proposed on site at Keowee River Community is to reduce the impacts of the development on the water quality of receiving downstream water bodies. BMP's proposed for the development are to work in tandem to ensure that post construction runoff generated by the development will meet the minimum requirements as defined by state regulations.

3.3 Non-Structural Controls

Non-structural BMP's include such practices as minimizing impervious area for site development, providing vegetative buffers along all streams and waterways, promoting natural infiltration of runoff before it enters a receiving stream, pollution prevention practices such as regular sweeping of parking lots, and public environmental outreach programs.

Non structural Low Impact Development Controls may consist of the following:

- Vegetated Conveyance Systems
- Stream Buffers
- Disconnected Rooftop Drainage to Pervious Areas
- Cluster Development
- Natural Infiltration

3.4 Structural Controls

Structural Controls can be utilized with a wide variety of land uses and development types. Structural Controls have the ability to effectively treat storm water runoff volume to reduce the amounts of pollutants discharged to downstream systems. Structural controls are recommended for limited use for special site or design conditions. Structural Controls may consist of the following:

- Storm Water Wetlands
- Bioretention Areas
- Infiltration Trenches

- Enhanced Grassed Swales
- Pre-Fabricated Control Devices
- Vegetated Filter Strips (VFS)
- Grass Paving and Porous Paving Surfaces

It is recommended that structural controls be utilized with other BMP's (Structural and Non-Structural) to help achieve the necessary water quality levels defined by the state.

Section 4: Setbacks, Buffers and Building Height Standards

4.1 Purpose

The purpose of this section of the Development Standards is to ensure protection of onsite resources such as lakes, streams and rivers along with wooded areas while allowing the developer to situate buildings and home sites as needed in the development.

All setbacks and buffers for single-family detached dwellings shall be a minimum of 10 feet from the drivable surface.

4.2 Building Height Standards

Residential buildings shall not exceed sixty-five (65) feet in height as measured from ground level ("ground level" being the level of the ground directly beneath the part of the structure being measured).

Section 5: Speed Limit

5.1 Purpose

The purpose of this section of the Development Standards is to define the minimum and maximum speed limit for all roadways in Keowee River Community.

5.2 Minimum and Maximum Design Speed Limit

Design speed limits in Keowee River Community will be set at a maximum of 25 MPH.

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement"), is entered into this _____ day of _____, 2010 (the "Effective Date") by and between **OCONEE COUNTY, SOUTH CAROLINA**, a body politic and corporate and a political subdivision of the State of South Carolina (the "County") and **KEOWEE RIVER PRESERVATION GROUP, LLC**, a South Carolina limited liability company ("Developer"). The County and Developer may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS:

WHEREAS, Developer is the owner of the Property (as hereinafter defined);

WHEREAS, the County will benefit from the development of the Property through the expansion of its tax base, the addition of needed infrastructure and the certainty and control of growth within the Property;

WHEREAS, this Agreement provides for the vesting of certain property rights and protects such rights from the effect of subsequently enacted laws and provides a reasonable certainty to the Parties as to the lawful requirements that must be met in the development of the Property;

WHEREAS, the Act (as hereinafter defined) authorizes the County to enter into binding development agreements with persons or entities intending to undertake any development on real property containing twenty-five acres or more of highland and having a legal or equitable interest in the real property to be developed;

WHEREAS, the Parties hereto seek predictability in the development process for the Property so as to encourage the maximum efficient utilization of resources at the least economic cost to the public;

WHEREAS, public benefits and facilities will be derived from this Agreement;

WHEREAS, the Parties' willingness to agree in advance to the general development process for the Property serves to foster and facilitate the cooperation and coordination of the requirements and needs of the Parties;

WHEREAS, the Oconee County Council has adopted County Ordinance No. 2010-09 establishing procedures and requirements for considering and entering into site specific development agreements (the "Development Agreement Ordinance for Oconee County, South Carolina");

WHEREAS, pursuant to the Act, the County conducted public hearings regarding its consideration of this Agreement on _____, 2010 and _____, 2010, after notice of such public hearings was duly published and announced in accordance with the Act; and

WHEREAS, the Council adopted Ordinance No. 2010-10 on _____, 2010 determining that this Agreement is consistent with the County's Comprehensive Plan (as hereinafter defined), the Act and current regulations of the County and approving the Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I: General Definitions

1.1 **Definitions:** For purposes of this Agreement, the following definitions shall apply unless the context clearly indicates otherwise:

A. "Act" means the South Carolina Local Government Development Agreement Act, codified as S. C. Code Ann. § 6-51-10 *et seq.*, as amended.

B. "Code" means the South Carolina Code of Laws, 1976, as amended.

C. "Comprehensive Plan" means the County's current master plan, commonly known as the County's Comprehensive Plan, adopted pursuant to Code Sections 6-7-510, *et seq.*, 5-23-490, *et seq.* or 4-27-600 and the official map adopted pursuant to Code Sections 6-7-1210, *et seq.*, including any amendments adopted subsequent thereto, but prior to the adoption of this Agreement.

D. "Council" means the Oconee County Council.

E. "Development Permit" means and includes a building permit, zoning permit, subdivision approval, rezoning certification, special exception, variance, or other official action of the County having the effect of permitting the development of the Property.

F. "Keowee River Community Development Standards" means the development standards applicable to the Property set forth in the attached Schedule 3 hereof, incorporated by reference herein.

G. "Land Development Regulations" means ordinances and regulations enacted by the Council for the regulation of any aspect of development and includes any zoning, rezoning, subdivision, building construction, or sign regulations or any other regulations controlling the development of the Property.

H. "Laws" means all ordinances, resolutions, regulations, comprehensive plans, Land Development Regulations, policies and rules adopted by the County affecting the development of property and includes laws governing permitted uses of property, governing density, and

governing design, improvement, and construction standards, except as provided in Code Section 6-31-140(A).

I. "Planning Commission" means the Geesee County Planning Commission established pursuant to Code Sections 4-27-510, 5-23-410 or 6-7-320.

J. "Property" means the real property described in the attached Schedule I hereof, incorporated by reference herein, and includes the earth, water, and air, above, below, or on the surface, and includes any improvements or structures customarily regarded as a part of real property.

K. "Public Facilities" means major capital improvements, including, but not limited to, transportation, sanitary sewer, solid waste, drainage, potable water, education, parks and recreational, and health systems and facilities.

1.2 **Other Terms:** Terms not otherwise defined in this Agreement have the meanings set forth in the Comprehensive Plan or the Act. Other terms may be defined throughout this Agreement.

1.3 **Recitals:** The Recitals set forth above, the Legislative findings set forth in Code Section 6-31-10, and all schedules attached to this Agreement are incorporated fully herein by reference as if they were set out in this Agreement in their entirety and are a part and parcel of this Agreement.

ARTICLE 2: Major Terms of the Agreement

2.1 **Legal Description of the Property and Owner's Name.** The Property subject to this Agreement currently consists of approximately 774 acres \pm , including more than 250 acres of highland. The legal description of the Property subject to this Agreement is attached hereto as **Schedule I**. The name of the legal and equitable owner of the Property is **Keowee River Preservation Group, LLC**, a South Carolina limited liability company.

2.2 **Term.** The term of this Agreement begins on the Effective Date and ends ten (10) years from the Effective Date (the "Termination Date"); provided, however, pursuant to Code Section 6-31-60(A)(2), the County and the Developer are not precluded from extending the Termination Date by mutual agreement or from entering into subsequent development agreements.

2.3 **Property Uses and Adoption of Keowee River Community Development Standards.** The uses permitted on the Property include residential uses, commercial uses and all other currently permitted uses applicable to the Property under County Laws and County Land Development Regulations in effect as of the Effective Date (collectively, the "Pre-Approved Uses"). The Pre-Approved Uses shall remain on the Property during the duration of the term of this Agreement and shall not be changed or altered by the County without the consent of the Developer, or its successors and/or assigns. Developer hereby discloses to the County that the Property is subject to those certain General Deed Restrictions set forth in that certain Special Warranty Deed from Crescent Resources, LLC, as Grantor, to Developer, as Grantee, dated

March 30, 2009 recorded on April 2, 2009 in Deed Book 1711 at Page 226 in the records of the Osage County Register of Deeds, and a copy of the said General Deed Restrictions are attached hereto as **Schedule 2**. The County hereby adopts and approves the Keowee River Community Development Standards with respect to the development of the Property. Subject to the terms of the Act, the Laws applicable to the development of the Property are those Laws in force on the Effective Date of this Agreement. To the extent of any conflict between the County's Comprehensive Plan, the County's Land Development Regulations, the County's Laws and the Keowee River Community Development Standards, the terms and conditions of the Keowee River Community Development Standards shall control to the extent permitted by law. The County agrees to issue any Development Permit necessary for the development of the Property so long as any submittal by Developer for a Development Permit complies with the Keowee River Community Development Standards, and the procedures and requirements of the County's development standards, Land Development Regulations and Laws in effect as of the Effective Date otherwise applicable for County permits. Developer agrees that the Property and the development of the Property shall be subject to the terms and conditions of the Keowee River Community Development Standards and that otherwise all County Land Development Regulations in effect on the Effective Date shall apply. It is specifically acknowledged and agreed that, to the extent permitted by law, any development standards, Land Development Regulations and Laws adopted, modified and/or amended by the County after the Effective Date shall not be applicable to the Property without the prior written consent of Developer, which consent may be withheld by Developer in Developer's sole discretion.

2.4 Description of Public Facilities. To the extent any Public Facilities are needed in connection with the development of the Property, Developer shall be responsible for the initial construction of such Public Facilities that will service the development of the Property. Developer shall have the right, but not the obligation, to dedicate or convey to the County any Public Facilities constructed on the Property, and if the Developer exercises this right with respect to one or more Public Facilities constructed on the Property by Developer, the County Council may consider whether or not to accept a conveyance and/or dedication of any such Public Facilities, but only as to Public Facilities which it is legally allowed to own and operate, and using the same policies, criteria and procedures which it uses for the dedication and acceptance of other public facilities, based on the County's development standards, Land Development Regulations and Laws in effect as of the Effective Date. Subject to the terms of the Keowee River Community Development Standards, from and after the dedication or conveyance of a Public Facility to the County, the County shall be responsible thereafter for the repair, maintenance and replacement of such conveyed and/or dedicated Public Facility.

2.5 Preservation of Environmentally Sensitive Property. In the development of the Property, the Developer will protect, as required only by applicable law in effect as of the Effective Date, any environmentally sensitive areas of the Property, including any or all areas falling under the jurisdiction of any state or federal agencies.

2.6 Description of Local Development Permits. Developer acknowledges and agrees that Developer must obtain certain local development and other regulatory permits for the development of the Property, and the parts therein. Such permits may include, but are not limited to: land use permits, zoning permits, grading permits, plat approvals (preliminary;

conditional or final), road and drainage construction plan approvals, building permits, certificates of occupancy, water and/or sewer development contracts and utility construction and operating permits. The failure of this Agreement to address a particular permit, condition, term or restriction does not relieve the Developer, or their assigns, of the necessity of complying with all laws governing the requirements, conditions, terms and or restrictions of applicable permits, subject to the terms of Section 2.3 of this Agreement.

2.7 Consistency with Comprehensive Plan, the Act and Current Regulations. As required by Code Section 6-31-60(A)(7), the County finds that development of the Property as permitted by this Agreement is consistent with the County's Comprehensive Plan, the Act and the County's Land Development Regulations in effect on the Effective Date.

2.8 Terms Required for the Health, Safety and Welfare of the Citizens of Oconee County. As required by Code Section 6-31-60(A)(8), the County finds that the conditions, terms, restrictions and other requirements contained in this Agreement are sufficient to protect the public safety and welfare of the County's citizens and no additional conditions, terms, restrictions or other requirements are necessary for the protection of the health, safety and welfare of the citizens.

2.9 Preservation of Historic Sites. As required by Code Section 6-31-60(A)(9), in the development of the Property, the Developer will preserve any historic structures, including any structures within the Property listed or deemed to be eligible for listing by the State Historic Preservation Office (SHPO) or the Advisory Council on Historic Preservation.

2.10 Development Schedule.

A. **Commencement of Development.** The development of the Property shall be deemed to commence on the date the County approves one or more site development plans for the Property or a portion of the Property.

B. **Completion Date of Development.** The development of the Property should be substantially completed, i.e. all necessary infrastructure constructed and/or in place to serve the intended uses for the development, on or before a date that is ten (10) years after the Effective Date. Nothing in this section shall be interpreted to extend the term of this Agreement. However, the failure to achieve substantial completion shall not in and of itself constitute a material breach of this Agreement, but must be judged based upon the good faith efforts of the Developer as well as the totality of the circumstances, including without limitation market conditions.

C. **Schedule for Development and Interim Completion Dates.** A specific schedule for the development of the Property shall be determined at the time of submittal of a site specific development plan(s) by the Developer of the Property or portion of the Property pursuant to the terms herein. However, in no event shall the completion date(s) for the development of the Property exceed ten (10) years after the Effective Date hereof. The County will require interim completion dates for the development of the Property which require that certain phases or components of the development be achieved within certain interim time periods at no greater

than five (5) year intervals. The County and Developer anticipate that the following percentages of development of the Property to be completed at the following interim periods:

Year After Effective Date	% Completed
5	25%
10	100%

2.10 **Vested Rights.** Subject to the Act and the terms of this Agreement, all rights and prerogatives accorded to Developer by this Agreement will constitute vested rights for the development of the Property pursuant to the terms herein and approved by the County; such vesting, upon approval of the County, will pertain to all those rights and prerogatives afforded by the Laws. The County agrees that Developer, upon receipt of its Development Permits required herein, may proceed to develop the Property according to the terms and conditions of this Agreement and the site specific development plan(s) approved by the County. Further, this Agreement does not abrogate any rights either preserved by the Act or that may have vested pursuant to common law and otherwise in the absence of this Agreement.

2.11 **Law in Effect as of the Effective Date Governs Development of Property.** Subject to the terms of the Act, the Laws applicable to the development of the Property are those in force on the Effective Date of this Agreement.

2.12 **Public Hearings; Notice and Publication.** The County represents that prior to entering into this Agreement, the County conducted the requisite public hearings, notice requirements, and any other procedures or statutory mandates in full compliance with (i) Code Section 6-31-50, (ii) other provisions of the Act, and (iii) any other applicable statutory or regulatory requirements, ordinances, and laws, and by the execution hereof finds that this Agreement complies with all such requirements.

2.13 **Dispute Resolution.** In the event of a dispute between the Parties as to whether a provision in the County's Comprehensive Plan, the Act or current Land Development Regulations is inconsistent with express or implied provisions of this Agreement, the Parties must first submit such disputed interpretation to the Council and shall wait ten (10) business days after such submittal before invoking the remedies afforded under this Agreement.

ARTICLE 3: Periodic Review; Breach and Cure

3.1 **Periodic Review.** At intervals of twelve (12) months, the County's zoning administrator, or if the County has no zoning administrator, an appropriate officer of the County designated by the Council, shall review the progress of the development of the Property to ensure compliance with the Agreement. At the time of the reviews, Developer must demonstrate good faith compliance with the terms of the Agreement and must fully cooperate with such administrator or officer during such review.

3.2 **Breach and Cure by Developer.** If, as a result of a periodic review conducted pursuant to the preceding paragraph, the County finds and determines, at its sole but reasonable discretion,

that Developer has committed a material breach of the terms or conditions of the Agreement, including its schedules, or the site specific development plan(s) approved by the County, as may be amended from time to time, the County shall serve upon the Developer written notice, within a reasonable time after the periodic review, setting forth with reasonable particularity the nature of the breach and facts supporting the finding and determination, and providing the Developer a reasonable time in which to cure the breach. If the Developer fails to cure the breach within the time given, then the County unilaterally, in its sole and absolute discretion, may terminate this Agreement; provided, that the County has first given the Developer the opportunity:

- (1) to rebut the finding and determination; or
- (2) to consent to amend the Agreement and/or the site specific development plan(s) approved by the County to meet the concerns of the County with respect to the findings and determinations.

Failure of the Developer to meet a commencement or completion date may not constitute a material breach of the Agreement if the Developer provides sufficient documentation to the County that it is without fault for such failure and the Developer is proceeding in good faith and with all diligence, with its efforts to comply.

Any default by one Party hereunder, shall only be a default as to that specific Party and will not result in a default of the entire Agreement by all Parties.

3.3 Non-Performance and Cure by County. In the event that the County fails to perform any material terms or conditions of this Agreement (the "Non-Performance"), the Developer shall serve upon the County written notice of the alleged Non-Performance, setting forth with reasonable particularity the nature of the Non-Performance and the facts supporting such determination, and provide sixty (60) days for the County to cure the Non-Performance (the "Cure Period"). In the event more than sixty (60) days is needed by the County to cure the Non-Performance, the County shall be afforded additional reasonable time to cure the Non-Performance so long as the County is making good-faith efforts at curing the Non-Performance.

The County's failure to cure the Non-Performance within the Cure Period, including any additional time afforded the County to cure the Non-Performance, shall not provide a basis for terminating this Agreement but, instead, shall provide a basis for Developer to seek actual damages and/or specific performance of this Agreement from a South Carolina Court of competent jurisdiction with venue being in Oconee County, South Carolina, which shall be the Developer's sole remedy.

ARTICLE 4: Miscellaneous

4.1 Recordation. The Developer agrees to record this Agreement with the Oconee County Register of Deeds within fourteen (14) days after its full execution thereof as required by Code Section 6-31-120.

4.2 **Priority.** The Developer hereby represents and warrants that this Agreement, upon its recordation, shall not be subordinate to any encumbrances of any kind, including mortgage liens, mechanics liens, tax liens, and judgments.

4.3 **Partial Invalidity.** If any part, clause or provision of this Agreement is held to be void by a court of competent jurisdiction, the remaining provisions of this Agreement shall be unaffected and shall be given such construction as to permit it to comply with the requirements of all applicable laws and the intent of the Parties hereto.

4.4 **Waiver.** A Party's waiver of a breach of any term of this Agreement shall not be constituted as a waiver of any subsequent breach of the same or another term contained in the Agreement. A Party's subsequent acceptance of performance by the other Party shall not be construed as a waiver of a preceding breach of this Agreement other than failure to perform the particular duties so accepted.

4.5 **Governing Law.** This Agreement is governed by and subject to the terms and provisions of the Act. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of South Carolina.

4.6 **Entire Agreement.** This Agreement contains the entire understanding between the Parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings, expressed or implied, oral or written.

4.7 **Amendment.** The following rules apply to any amendments to the Agreement and the site specific development plan(s) approved by the County:

1. the Agreement may be amended or cancelled in accordance with the Act by mutual written consent of the Parties;
2. if the amendment constitutes a major modification of the Agreement, the major modification may occur only after public notice and a public hearing by the County Council. For purposes of this section, a "Major Modification" means:
 - i. material change to the schedule of development set forth in this Agreement;
 - ii. Property use changes to any County-approved Property uses for the Property, or parts therein;
 - iii. any other significant deviation from the development of the Property as contained in this Agreement.
3. Developer may request a modification in the dates as set forth in this Agreement, and the terms of Code Section 6-31-00(B) shall govern such request.
4. Pursuant to Code Section 6-31-130, the Agreement must be modified or suspended as may be necessary to comply with any state or federal laws or

regulations enacted after the Agreement is entered into which prevent or preclude compliance with one or more of the provisions of the Agreement.

4.8 **Successors in Interest/Assigns.** All burdens and obligations of this Agreement are binding upon and the benefits shall inure to the Parties hereto and to all successors in interest to the Parties and all assigns.

4.9 **Notices.** All notices hereunder shall be given in writing by certified mail, postage prepaid at the following addresses:

To the County:

Oconee County
Attention: Oconee County Administrator
415 South Pine Street
Walhalla, South Carolina 29691

To Developer:

Keowee River Preservation Group, LLC
Attn: _____
(Address)

4.10 **Relationship of the Parties.** This Agreement creates a contractual relationship between the Parties pursuant to and in accordance with the Act, only. This Agreement is not intended to create, and does not create, the relationship of master/servant, principal/agent, independent contractor/employer, partnership, joint venture, or any other relationship where one party may be held responsible for the acts of the other party. Further, this Agreement is not intended to create, nor does it create, a relationship whereby the conduct of the Developer constitutes "state action" for any purpose. Further, this Agreement is not intended to create, nor does it create, a relationship whereby one Party may be rendered liable in any manner for the debts or obligations of another Party, to any person or entity whatsoever, whether such debt or obligation arises under this Agreement or outside this Agreement. Further, this Agreement is not intended to create, nor does it create, rights for any third party beneficiary.

4.11 **Headings.** Headings used throughout this Agreement are for reference and convenience purposes only and have no binding effect and are not a part of this Agreement.

4.12 **Execution.** To facilitate execution, this Agreement may be executed in as many counterparts as may be required, whether as originals or by facsimile copies of executed originals, with each part combined to constitute the whole document.

[Remainder of Page Intentionally Left Blank]

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Development Agreement to be effective as of the date set forth hereinabove.

OCONEE COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina:

Witness 1

By: _____

Witness 2 (Notary)

Its: _____

KEOWEE RIVER PRESERVATION GROUP, LLC, a South Carolina limited liability company:

Witness 1

By: _____

Witness 2 (Notary)

Its: **Manager**

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)

ACKNOWLEDGEMENT

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named **Oconee County, South Carolina**, by _____, its _____, sign, seal and as both his act and deed deliver the within written Agreement and that (s)he with the other witness whose signature appears above witnessed the execution thereof.

Witness 1

Sworn to before me this
_____ day of _____, 2010.

Notary Public for (L.S.)
My Commission Expires: _____

(SEAL)

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)

ACKNOWLEDGEMENT

PERSONALLY appeared before me the undersigned witness, who made oath that (s)he saw the within named **Keowee River Preservation Group, LLC**, by _____, its Manager, sign, seal and as both his act and deed deliver the within written Agreement and that (s)he with the other witness whose signature appears above witnessed the execution thereof,

Witness 1

Sworn to before me this
_____ day of _____, 2010.

(T.S.)
Notary Public for
My Commission Expires: _____

(SEAL)

LIST OF SCHEDULES

SCHEDULE 1	Property – Legal Description
SCHEDULE 2	General Deed Restrictions
SCHEDULE 3	Kcowee River Community Development Standards

SCHEDULE I

Property – Legal Description

All references to recording information shall refer to documents that were recorded in the Office of the Register of Deeds of Oconee County, South Carolina.

All that certain tract of land located in Oconee County, South Carolina, designated as "773.70 Ac." on plat recorded in Plat Book B245, Pages 1 and 2 ("Plat"); **AND BEING** all or a portion of the land conveyed to Crescent Land & Timber Corp. (presently known as Crescent Resources, LLC) by deed from Abney Mills (K-777) recorded in Deed Book 10K, Page 43; by deed to S. C. Land & Timber Corp. (presently known as Crescent Resources, LLC) from Ralph Phillips, et al. (K-1) recorded in Deed Book 9D, Page 308; by deed to Crescent Land & Timber Corp. from Charles A. Burton, et al. (K-985) recorded in Deed Book 11G, Page 221; by deed to Crescent Land & Timber Corp. from Burton and Williams (K-989) recorded in Deed Book 11H, Page 38; and by deed to Crescent Land & Timber Corp. from Waymon Hughes (K-991) recorded in Deed Book 11G, Page 326.

Tax Parcel Nos.: 181-00-01-001, 210-00-01-001 and P/O 165-00-01-001A

SCHEDULE 2

General Deed Restrictions

See attached

SCHEDULE 3

Keowee Community Development Standards

See attached

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: July 6, 2010
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE OR DESCRIPTION:

Second Reading of Ordinance 2010-25: AN ORDINANCE TO AMEND THE OCONEE COUNTY FLOOD DAMAGE PREVENTION ORDINANCE, ORDINANCE 2008-21, IN CERTAIN LIMITED REGARDS AND PARTICULARS, ONLY, AND TO RATIFY AND AFFIRM ALL OTHER PROVISIONS OF ORDINANCE 2008-21 NOT AMENDED OR MODIFIED HEREBY; AND OTHER MATTERS RELATED THERETO

BACKGROUND OR HISTORY:

Oconee County recently reviewed and amended the Flood Damage Prevention Ordinance as part of the ongoing effort to address concerns identified by the Federal Emergency Management Agency (FEMA). As required, a copy of the document was submitted to FEMA, who notified the County that additional changes to the ordinance are required. The County Attorney drafted the necessary amendments. Council gave First Reading in Title Only to Ordinance 2010-25 on June 15, 2010.

SPECIAL CONSIDERATIONS OR CONCERNS:

FEMA's instructions are to amend the ordinance by the end of July 2010.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? Yes / No (review #2001-15 on Procurement's website)
If no, explain briefly: N/A

STAFF RECOMMENDATION:

Take Second Reading of Ordinance 2010-25, and schedule a public hearing.

FINANCIAL IMPACT:

None anticipated.

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: Yes / No
If yes, who is matching and how much: N/A

ATTACHMENTS

Copy of draft changes

Reviewed By/ Initials:

_____ County Attorney _____ Finance _____ Grants _____ Procurement

Submitted or Prepared By:

Department Head/Elected Official

Approved for Submittal to Council:

Scott Moulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head/ Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2010-25

AN ORDINANCE TO AMEND THE OCONEE COUNTY FLOOD DAMAGE PREVENTION ORDINANCE, ORDINANCE 2008-21 (CHAPTER 16, ARTICLE II OF THE OCONEE COUNTY CODE OF ORDINANCES), IN CERTAIN LIMITED REGARDS AND PARTICULARS, ONLY, AND TO RATIFY AND AFFIRM ALL OTHER PROVISIONS OF ORDINANCE 2008-21 NOT AMENDED OR MODIFIED HEREBY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, on September 1, 2009, Oconee County, South Carolina (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through the Oconee County Council (the "Council"), adopted certain ordinances and regulations regarding flood damage prevention (collectively, the "Flood Damage Prevention Ordinances"), all of which are codified in Chapter 16, Article II of the Code of Ordinances, Oconee County, South Carolina; and,

WHEREAS, the South Carolina General Assembly has delegated the responsibility to the County to enact ordinances and promulgate regulations designed to promote the public health, safety, and general welfare of its citizenry, including the authority and responsibility to enact ordinances and promulgate regulations to mitigate the damaging effects of floods in the unincorporated areas of the County; and,

WHEREAS, the National Flood Insurance Program (the "NFIP") was established pursuant to federal law, at 42 U.S.C.A. § 4001 et seq. (the "Act"), and the purpose of the Act was, among other things, to "require . . . local communities, *as a condition of future Federal financial assistance*, to participate in the flood insurance program and to adopt adequate flood plain ordinances with effective enforcement provisions consistent with Federal standards to reduce or avoid future flood losses" 42 U.S.C.A. § 4002 (emphasis added); and,

WHEREAS, since Oconee County's recent enactment of the Flood Damage Prevention Ordinances, the Federal Emergency Management Agency ("FEMA") has directed Oconee County to take additional corrective actions to remain in good standing with the NFIP, including the further revision of the Flood Damage Prevention Ordinances; and,

WHEREAS, the Council desires to amend the Flood Damage Prevention Ordinances in order to remain in good standing with the NFIP, which is critical for economic development, federal grant funding, and the protection of the citizens of Oconee County;

NOW, THEREFORE, be it ordained by County Council, in meeting duly assembled that:

1. Chapter 16, Article II of the Code of Ordinances, Oconee County, South Carolina, is hereby amended by adding a section at the beginning of Chapter 16, Article II, to be entitled *Authority*, which section reads as follows:

8. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by County Council.

ORDAINED in meeting, duly assembled, this _____ day of _____, 2010.

OCONEE COUNTY, SOUTH CAROLINA

Reginald T. Dexter
Chairman, Oconee County Council

ATTEST

Elizabeth G. Hoise
Clerk to County Council

First Reading: June 15, 2010 [title only]
Second Reading: July 6, 2010
Public Hearing:
Third Reading:

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: 5-6-10
COUNCIL MEETING TIME: 7:00 PM

ITEM TITLE OR DESCRIPTION:

ATAX grant request to the Downtown Seneca Merchant's Association (DSMA) in the amount of \$1,352.00 for Sponsorship/Advertising of "Your Day" radio program. Request approved in ATAX Committee on 5-27-10 by unanimous vote.

BACKGROUND OR HISTORY:

State ATAX funds are received quarterly and 65% of those funds are Tourism Related funds to be disbursed as recommended by the ATAX committee and approved by County Council. All ATAX grant recipients are required by state law to turn in intermediate reports every 60 days to the progress of the grant and a final report upon completion of the grant.

SPECIAL CONSIDERATIONS OR CONCERNS:

Original grant was for \$13,520. **Until further notice and requested information from the Tourism Expenditure Review Committee is received, all grants will be awarded based on their tourism impact.** DSMA presented data showing 10% of all visitors to be tourists, so the committee recommends awarding 10% of the request. The funds will be used for the continuation of the sponsorship of "Your Day", a Monday-Thursday, SCETV Radio Show to air statewide and a link of the 6 SC Heritage Corridor Arts Trail sites to the "Your Day" website. The "Your Day" radio show reaches over 4.2 million listeners annually throughout South Carolina. "Your Day" can be heard on ETV Radio on seven different FM stations throughout South Carolina in Aiken, Beaufort, Charleston, Columbia, Myrtle Beach, Rock Hill, Greenville/Spartanburg (90.1) and Sumter.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? Yes / No (review #2001-15 in Procurement's website)
If no, explain briefly: No, ATAX grant

STAFF RECOMMENDATION:

Approval of ATAX grant request of \$1,352.00 to the Downtown Seneca Merchant's Association. **Original request was \$13,520. Due to the recent actions from the State Tourism Expenditure Review Committee, all grants until further notice are being approved based on the tourism impact of the event(s).** ATAX funds were used last year for this same purpose.

FINANCIAL IMPACT:

Current ATAX fund balance is \$9,794.39. There are three grant requests this cycle. If all requests are approved by County Council, the remaining balance will be \$4,187.39

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available? Yes

If yes, who is matching and how much: DSMA, Seneca HAT Tax

ATTACHMENTS

Downtown Seneca Merchant's Association grant

Reviewed By/ Initials:

County Attorney

Finance

Grants

Procurement

Submitted or Prepared By:

Phil Shirley, PRT Director

Department Head/Elected Official

Approved for Submittal to Council:

Scott Moulder, Oconee County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head/ Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: 7-6-10
COUNCIL MEETING TIME: 7:00 PM

ITEM TITLE OR DESCRIPTION:

ATAX grant request from Walhalla Civic Auditorium in the amount of \$275.00 for Advertising. Request approved in ATAX Committee on 5-27-10 by a unanimous vote.

BACKGROUND OR HISTORY:

State ATAX funds are received quarterly and 65% of those funds are Tourism Related funds that are to be disbursed as recommended by the ATAX committee and approved by County Council. All ATAX grant recipients are required by state law to turn in intermediate reports every 60 days to the progress of the grant and a final report upon completion of the grant. These reports are placed in the grant folder, which is kept active by the ATAX chairperson until the grant is considered complete, and then it is stored by the PRJ office.

SPECIAL CONSIDERATIONS OR CONCERNS:

Original grant was for \$1,495. Until further notice and requested information from the Tourism Expenditure Review Committee is received, all grants will be awarded based on their tourism impact. WCA presented data showing 15-20% of all visitors to be tourists, so the committee recommends awarding a percentage of the request for advertising in one issue.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? No
If no, explain briefly: ATAX Grant.

STAFF RECOMMENDATION:

Approval of ATAX grant request of \$275.00 to the Walhalla Civic Auditorium. Original request was \$1,495. Due to the recent actions from the State Tourism Expenditure Review Committee, all grants until further notice are being approved based on the tourism impact of the event(s).

FINANCIAL IMPACT:

Current ATAX fund balance is \$9,794.39. There are three grant requests this cycle. If all requests are approved by County Council, the remaining balance will be \$4,187.39.

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: No
If yes, who is matching and how much:

ATTACHMENTS

Walhalla Civic Auditorium

Reviewed By/ Initials:

County Attorney

 Finance

 Grants

Procurement

Submitted or Prepared By:

Phil Shirley, PRT Director
Department Head/Elected Official

Approved for Submittal to Council:


Scott Moulder, Oconee County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: 7-6-10
COUNCIL MEETING TIME: 7:00 PM

ITEM TITLE OR DESCRIPTION:

ATAX grant request of \$3,980 to Cherokee Bear Clan of South Carolina to assist with new roof construction of the New South Carolina Museum of the Cherokee to be located on Short Street in Walhalla. Request approved in ATAX Committee on 5-27-10 by a unanimous vote. Grant received pre-approval from South Carolina Tourism Expenditure Review Committee.

BACKGROUND OR HISTORY:

State ATAX funds are received quarterly and 65% of those funds are Tourism Related funds that are to be disbursed as recommended by the ATAX committee and approved by County Council. All ATAX grant recipients are required by state law to turn in intermediate reports every 60 days to the progress of the grant and a final report upon completion of the grant. These reports are placed in the grant folder, which is kept active by the ATAX chairperson until the grant is considered complete, and then it is stored by the PRT office.

SPECIAL CONSIDERATIONS OR CONCERNS:

Original grant was for \$9,950. **Until further notice and requested information from the Tourism Expenditure Review Committee is received, all grants will be awarded based on their tourism impact.** Currently data collections show approximately 40% of all visitors to area museums be tourists, so the committee recommends awarding 40% of the request for roof construction.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? No.

If no, explain briefly: ATAX Grant

STAFF RECOMMENDATION:

Approval of ATAX grant request of \$3,980.00 to the Cherokee Bear Clan of South Carolina. **Original request was \$9,950. Due to the recent actions from the State Tourism Expenditure Review Committee, all grants until further notice are being approved based on the tourism impact of the event(s).**

FINANCIAL IMPACT:

Current ATAX fund balance is \$9,794.39. There are three grant requests this cycle. If all requests are approved by County Council, the remaining balance will be \$4,187.39

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: No

If yes, who is matching and how much:

ATTACHMENTS

Cherokee Bear Clan grant

Reviewed By/ Initials:

County Attorney

_____
Finance

_____
Grants

Procurement

Submitted or Prepared By:

Phil Shirley, PRT Director
Department Head/Elected Official

Approved for Submittal to Council:

_____
Scott Moulder, Oconee County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: 7-6-10
COUNCIL MEETING TIME: 7:00 P.M.

ITEM TITLE OR DESCRIPTION:

PRT Commission recommends \$10,000 from the 75% fund of the local accommodations tax to assist with re-ordering of the Mountain Lakes CVB Visitor's guide (30,000 copies)

BACKGROUND OR HISTORY:

30,000 Visitor guides were ordered in 2008 and through very successful venues we have depleted our supply. A committee is currently revising/updating material, as well as advertisers for the upcoming guide. It is expected the 30,000 copies will last close to two years.

SPECIAL CONSIDERATIONS OR CONCERNS:

The Parks, Recreation and Tourism Commission approved this request by a unanimous vote of 5-0 on May 25, 2010. This represents less than half of the necessary funding for this project. The CVB and marketing team will be seeking sponsors and advertisers for the remaining balance.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? Yes / No (please #2001-15 in Procurement's website)

If no, explain briefly: No, grant to CVB

STAFF RECOMMENDATION:

Staff recommends approval of \$10,000. Current balance in the 75% fund is \$57,898.28.

FINANCIAL IMPACT:

\$10,000 from the 75% fund of the Local Accommodations Tax.

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

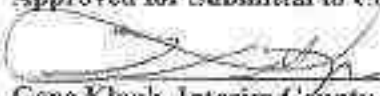
Are Matching Funds Available: Yes

If yes, who is matching and how much: Sponsors/Advertisers/CVB (\$15,000)

Submitted or Prepared By:

Phil Shirley, PRT Director
Department Head/Elected Official

Approved for Submittal to Council:


Gene Klugh, Interim County Administrator

Reviewed By/ Initials:

County Attorney

 _____
Finance 

**AGENDA ITEM SUMMARY
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: 7-6-10
COUNCIL MEETING TIME: 7:00 PM**

ITEM TITLE OR DESCRIPTION:

PRT Commission recommends advertising expenditure of \$4,800.00 to continue contract with Upcountry Brochure Service to display the brochure "Waterfalls of Upstate SC" and "Camping" in South Carolina and Northeast Georgia in an effort to promote tourism in Oconee County. The Waterfall brochure is the most requested piece of literature in all the brochure racks serviced by the Upcountry Brochure Service. The camping brochure is new and will be introduced for one year.

BACKGROUND OR HISTORY:

Upcountry Brochure Service has over 50 brochure racks in South Carolina and over 90 in Northeast Georgia. As the company places new racks, the brochures currently in contract also are added to that rack, so as the company grows, the brochure distribution grows as well. The racks are placed in hotels, tourist attractions, restaurants, etc. Upcountry Brochure service will keep the brochure racks stocked in all the service locations.

SPECIAL CONSIDERATIONS OR CONCERNS:

The Parks, Recreation and Tourism Commission approved this request by a unanimous vote of 5-0 on May 25, 2010.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? Yes / No (view #2001-15 on Procurement's website).
If no, explain briefly: Single Source-Contract renewal-Tourism Brochure Service

STAFF RECOMMENDATION:

Staff recommends approval of an expenditure of up to \$4,800.00 to display the "Water falls of Upstate South Carolina" and "Camping" brochures through Upcountry Brochure Service to all their SC and GA locations.

FINANCIAL IMPACT:

This project will not exceed \$4,800.00 with funds coming from the PRT Commission's 75% portion of the Local Accommodations Tax Fund, with no matching requirement and no impact to the general fund budget. Current fund balance in the 75% Local Accommodations tax is \$57,898.38.

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available? No
If yes, who is matching and how much:

ATTACHMENTS

Reviewed By/ Initials:

_____ County Attorney  Finance  Grants _____ Procurement

Submitted or Prepared By:

**Phil Shirley – PRT Director
Department Head/Elected Official**

Approved for Submittal to Council:


Gene Klugh - Interim County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk in Council.



Bill Byars, Director

P.O. Box 21069
Columbia, SC 29221-1069
www.state.sc.us/djj



Mark Sanford
Governor
State of South Carolina

July 1, 2010

Oconee
Administrator
415 South Pine Street
Walhalla, South Carolina Oconee

Dear Administrator:

Enclosed please find a Memorandum of Agreement (MOA) for the provision of secure detention services with the Department of Juvenile Justice's (DJJ) Detention Center for fiscal year 2010 - 2011. All substantive terms and conditions contained in this agreement are the same as those contained in last year's agreement. The per diem rate is \$50.00 per day for any juvenile housed at our detention facility.

This agreement will not obligate you in any way unless your agency/department chooses to, or is ordered by a court to, detain a juvenile awaiting trial or sentencing. Should you anticipate the need to use our facility anytime during the 2010 - 2011 fiscal year, please sign the enclosed contract within 30 days of receipt and return to: Department of Juvenile Justice, Attention: Sherri C. Bill Interim Administrator, Juvenile Detention Center, 1725 Shivers Road, Columbia, South Carolina 29210.

In addition, in lieu of detaining juveniles in DJJ's secure detention center, the Department has contracted with a number of therapeutic foster care providers located in your area. This program identifies responsible adults/ foster parents who will accept into their homes juveniles charged with non-violent crimes. This Jail Removal Home (JRH) option is being made available to you and to all local governmental entities in your county by the Department, in lieu of secure detention, at **no cost**. We would encourage you to make all public safety or local law enforcement in your jurisdiction aware of this option to secure detention and ask that you encourage their utilization of this "no cost" option, whenever they determine such to be appropriate. Additional information about this option to secure detention can be obtained by contacting your local DJJ County Director or by calling DJJ's state coordinator for this service, Mr. Tom Foley, at (803) 896-9349.

Should you have any questions, please contact Dr. Karry Guillory, Deputy Director of Community Services at (803) 896-9113. Your timely response is appreciated.

Sincerely,

William R. Byars, Jr.
Director

WRBgeb

Enclosure

cc: Sherri C. Hill, Interim Administrator of DJJ Detention Center
Karry L. Guillory, Deputy Director for Community Services

**MEMORANDUM
OF
AGREEMENT
FOR THE DETENTION OF JUVENILES**

THIS AGREEMENT is made this 1 day of July, 2010, by and between the South Carolina Department of Juvenile Justice (DJJ) by and through its duly authorized employee and the governing body of Oconee, hereinafter referred to as Oconee, by and through its duly authorized official and/or employee;

WHEREAS, the Juvenile Detention Act of 1990, in compliance with the Juvenile Justice and Delinquency Prevention Act of 1974, mandates, in effect, that juveniles who are held in detention be confined in separate and distinct facilities from adults similarly confined; and

WHEREAS, Oconee does not operate or manage its own detention facility for juveniles, or otherwise have such a facility available to it for the detention of juveniles; and

WHEREAS, DJJ operates a facility for the detention of juveniles, along with an array of other residential placements for juveniles, who are awaiting their adjudication and/or dispositional hearings in the Family or General Sessions Courts of this State, which have passed all necessary state inspections or approvals, and are suitable for the detention of juveniles; and

WHEREAS, the General Assembly has mandated that "the governing body of the law enforcement agency having original jurisdiction (over) where the offense occurred" be responsible for paying a portion of the costs of the detention services for juveniles provided by DJJ, who are charged with committing crimes within the governing body's jurisdictional limits;

NOW THEREFORE, in consideration of the mutual promises contained herein, it is agreed as follows:

DJJ will admit into its Juvenile Detention Center in Columbia, and detain such juveniles in this Center, subject to its design/operational capacity and any limitations set forth in Section 63-19-830 (A), those juveniles who are charged with committing criminal/status offenses within the jurisdictional limits of the above listed entity and who have been/are:

1. qualified to be placed in secure detention (as determined by Section 63-19-820 (B), which the local law enforcement entity wishes to have detained prior to a detention hearing before the Family Court; or
2. ordered to be detained by the Family Court; or

MEMORANDUM OF AGREEMENT
PAGE 2

3. pending waiver or juveniles (16 and below) who have been waived to the Court of General Sessions to be tried as adults; or
4. 16 years old and charged as an adult with committing a Category A-D felony.

Acceptance and retention of detainees in its Juvenile Detention Center will be on a space available basis and will be in accordance with admission and retention criteria established by DJJ. However, Oconee agrees to remove any detainees accepted and detained under paragraph 4 above, on or within one week after that detainee's 17th birthday.

Oconee agrees to assign an open Purchase Order Number _____, to be effective from July 1, 2010 to June 30, 2011.

Effective July 1, 2010, for the detention of all juveniles that occur on or after this date, the per diem rate for detention which is to be paid by "the governing body of the law enforcement agency having original jurisdiction where the offense occurred," is \$50.00 per 24-hour day. (Detention periods of between from 1 to 23 hours shall be charged as a 1/2 day charge of \$25.). Payments to DJJ are to be made on a monthly basis as the costs accrue.

DJJ agrees to bill Oconee on a monthly basis; said bills to be sent on or before the 15th day of the month after the month where the costs are incurred, with payment to be made on or before the first (1st) day of the following month. Additionally, DJJ agrees to periodically provide Oconee with a report on Oconee's use of the DJJ Detention Facility. This report will reflect the status of juveniles being detained for periods greater than 30 days.

The "local law enforcement agency having jurisdiction where the offense was committed" shall be responsible for transporting all juveniles to and from DJJ's Juvenile Detention Center. However, a local law enforcement entity may enter into agreements with other local law enforcement agencies or other entities for transporting of a juvenile to and from DJJ's Juvenile Detention Center and the fact that a particular local law enforcement agency or entity transports a juvenile to or from DJJ shall not be determinative as to which law enforcement agency has jurisdiction over the offense committed or necessarily obligate the governing board of the transporting entity to pay for the cost of that juvenile's detention.

In accordance with Act #571 of 1990, relating to Juvenile Detention and consistent with the criteria outlined in DJJ Community Services Policies and Procedures (24-Hour Detention/Release, Policy Number 380.01), no juvenile shall be placed in and/or transported to, a DJJ detention facility until law enforcement has notified DJJ and DJJ has conducted a detention screening, or until a Family Court Judge or other judicial official, has determined that placement in secure detention is appropriate.

MEMORANDUM OF AGREEMENT
PAGE 3

Oconee shall provide the DJJ Juvenile Detention Center with all relevant information pertaining to the juvenile, including medical history/limitations/pre-existing conditions, known psychological and psychiatric problems, charges pending before the court, and completed screening or detention forms if such records or information are in the possession of, or otherwise known to, the transporting law enforcement agency.

DJJ's Juvenile Detention Center shall have the right to refuse admission when a juvenile is presented for placement without an appropriate detention order signed by the Court or detention referral papers, completed and signed by a DJJ employee or screening agent. DJJ's Juvenile Detention Center shall also have the right to refuse admission when a juvenile is deemed inappropriate by the Center for placement due to psychological/psychiatric problems, age, history, not meeting referral/admissions criteria, indications of alcohol or other drug intoxication, medical condition which requires emergency or immediate medical care or treatment or for any other reason which puts the Center at risk, should such a juvenile be accepted.

DJJ shall not be financially responsible for the cost of medical care provided to a juvenile detained in its juvenile detention center for any injury, illness, condition, or medical need that pre-existed the juvenile's admission to its Detention Center.

Detention services provided by DJJ shall commence upon execution of this contract and terminate, unless this contract is reauthorized and renewed, on July 1, 2011. Either party may cancel this agreement upon thirty (30) days' written notice.

Sums paid or payable under this contract shall not exceed \$_____ for fiscal year 2010-2011 as determined by both parties. However, if juveniles continue to be presented for secure detention by Oconee once the above budgeted amount has been reached, Oconee agrees to pay for the cost of any additional detainees as provided for in the paragraph addressing detention rates.

APPROVED:

Administrator/Manager
(or other Authorized Official)

W.R. Byars Jr.

William R. Byars, Jr., Director
South Carolina Department of
Juvenile Justice

Date

Date

**AGENDA ITEM SUMMARY
OCONEE COUNTY, SC**

COUNCIL MEETING DATE: 7-6-10
COUNCIL MEETING TIME: 7:00 PM

ITEM TITLE OR DESCRIPTION:

RFP 08-11 Oconee County Shell Building II

Award RFP 08-11 to Roebuck Buildings of Roebuck, SC, as a Design Build contractor for the construction of a Shell Building of approximately 50,000sf in size to be located in the Oconee County Commerce Center and the detention pond that will serve a 19.2 acre site industrial site. Roebuck Building Company will be responsible for four phases of this project: Schematic, Design Development, Construction Documents and Final Construction phases. The estimated overall cost for this project is not to exceed \$1,500,000.00.

BACKGROUND OR HISTORY:

The need for a shell building has been under review since the sale of the first shell building in the Oconee County Commerce Center that has brought 60 new jobs and approximately \$10.0M in investments. Having a facility available is extremely important to attracting industrial prospects to our County.

On December 18, 2008, formal sealed proposals were opened for this project. Thirty-eight companies were originally notified of this opportunity. Eleven companies submitted proposals. The RFP Evaluation Committee consisting of James Alexander (Economic Development), Hank Field and Harold Gibson (Economic Development Commission Members), Art Holbrooks (Planning Commission), Luke Julian (Facilities Management) and Mack Kelly (County Engineer and Roads) evaluated and scored all proposals, interviewed the top four ranking firms and unanimously recommended award to Roebuck Buildings of Roebuck, SC. Roebuck Buildings has provided a letter, dated May 6, 2010, indicating that the prices and percentages from the RFP are still valid.

SPECIAL CONSIDERATIONS OR CONCERNS:

The sale of the shell building will return a portion of the expenditures that may be used for future Economic Development programs or to other programs as directed by the Council.

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS.

Does this request follow Procurement Ordinance #2010-02 guidelines? Yes:

STAFF RECOMMENDATION:

Award RFP # 08-11, Oconee County Shell Building II, which includes a building and a detention pond that serves a 19.2 acre industrial site in the Oconee County Commerce Center, to Roebuck Buildings, with the overall estimated amount of this project not to exceed \$1,500,000.00.

The Economic Development Commission recommends that the funding for this project come from the following:

Econ Dev Infrastructure Fund	\$ 770,000.00
Utility Tax Credit Funds A1&1	\$ 130,000.00
Utility Tax Credit Funds BREC	\$ 600,000.00
Total	\$1,500,000.00

FINANCIAL IMPACT:

Although there are several approaches to funding this project the Economic Development Commission is recommending using Tax Utility Credits (\$670,000) have already been received from Blue Ridge Electric. *Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.*

A calendar with due dates marked may be obtained from the Clerk to Council.

Cooperative and AT&T) and Economic Development Infrastructure Line items funds for the remaining costs. An additional \$60,000 of Utility Tax Credit funding will be funded by Blue Ridge Electric Cooperative before December 31, 2010.

ATTACHMENTS

1. Proposed expenses for the shell building, floor and retention pond,
2. Round 1 Scoring Summary Sheet
3. Round 2 Scoring Summary Sheet
4. May 6, 2010 letter from Roebuck Buildings.

Reviewed By/ Initials:

_____ County Attorney _____ Finance N/A Grants RL Procurement

Submitted or Prepared By:

Approved for Submittal to Council:


 Department Head/Elected Official


 Scott Moulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

**Proposed Expenses for 50,000SF Shell
To Be Constructed In The
Oconee County Commerce Center**

Based on a November 5, 2009 letter from Roebuck Buildings the estimate to construct a 50,000 sf speculative building per the scope of work is \$1,455,000.00. This work includes; grading of site, reworking of the detention pond, new storm drainage, concrete foundations, 6" slab on grade with 4" of crushed stone, structural steel frame, insulated precast panels on three (3) walls, insulated metal panels on expandable end wall and single ply roof system with 20 year manufacturer's warranty.

The use of tilt up concrete panels in lieu of insulated precast wall panels will permit a deduct of \$49,195.00.

Details of the building are attached.

The staff does not recommend using the deduct at this time. After the final engineering is completed then a decision can be made.

Bidders	Roebuck Buildings	Trehel	Yeagin Potter Shackelford Const	York Constructors
Address	Roebuck, SC	Clemson, SC	Greenville, SC	Greenville, SC
ROUND 2				
TOTAL	2697.51	2383.76	2351.86	2401.26
AVG	449.58	397.30	391.98	400.21
RANKING	1	3	4	2



ROEBUCK BUILDINGS CO. • GENERAL CONTRACTOR
3800 SOUTH CHURCH ST. EXT. • PO BOX 130
ROEBUCK, SOUTH CAROLINA 29376
854-575-8330 • Fax 854-687-1199
1-800-781-6060 • www.roebuckbuildings.com

May 6, 2010

Robyn M. Courtright
Procurement Director
Oconee County, SC

Reference: RFP 08-11
Oconee Spec Building II
Commeroe Park
Westminster, SC

Dear Robyn:

This letter will serve to confirm that our pricing and percentages for the design and construction of the above referenced project is still valid and we look forward to beginning the process upon your notification.

Thank you for the opportunity to work with Oconee County. Please let me know if you require any additional information or clarification.

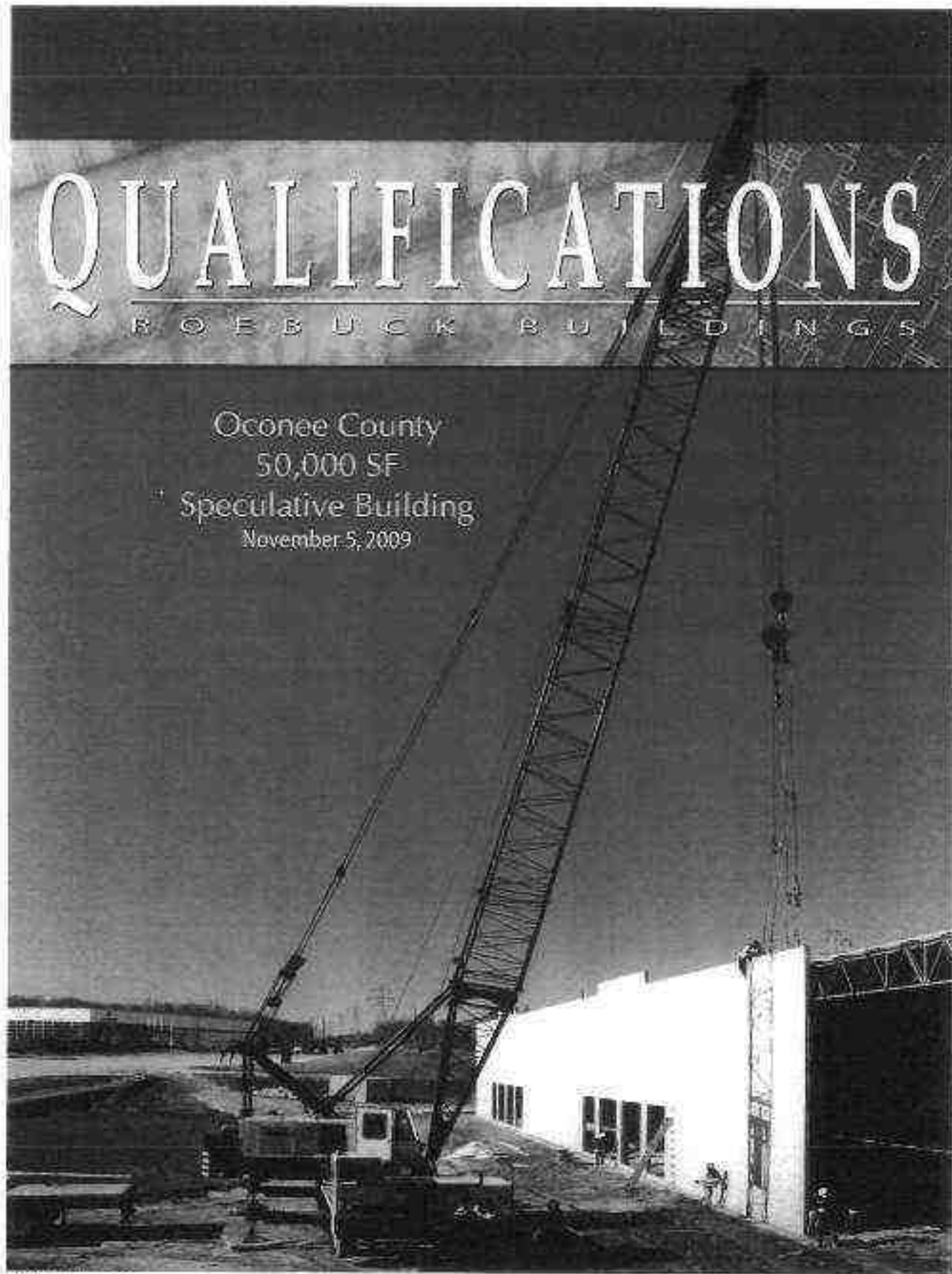
Sincerely,
ROEBUCK BUILDINGS COMPANY, INC.

Les Pritchard
Vice President Business Development

QUALIFICATIONS

ROEBUCK BUILDINGS

Oconee County
50,000 SF
Speculative Building
November 5, 2009



ROEBUCK BUILDINGS
RB
GENERAL CONTRACTORS

Roebuck Holdings Co., Inc. • www.RoebuckHoldings.com
3000 South Church St. East • PO Box 130 • Roebuck, South Carolina 29378
Phone: (854) 576-0030 • Fax: (854) 597-1162 • Toll Free: (800) 787-9081



PROPOSAL FOR WORK

OCONEE 50,000 SF SPECULATIVE BUILDING

November 5, 2009

The project will consist of:

Design and construction of a new 32' minimum clear 50,000-sf speculative building as outlined in the attached Roebuck drawings. Work to include: grading of site, reworking of the detention pond, new storm drainage, concrete foundations, 6" slab on grade with 4" of crushed stone, structural steel frame, insulated precast wall panels on three (3) walls, insulated metal panels on expandable end wall and single ply roof system with 20 year manufacturer's warranty.

Base Bid

To design and construct a new 50,000-sf speculative building per this scope of work and attached drawings our price is **One Million Four Hundred Fifty Five Dollars and NO/100 (\$1,455,000.00)**

Alternate # 1

Use tilt up concrete panels in lieu of insulated precast wall panels.

Deduct (\$49,195.00)

DETAILED SCOPE OF WORK

Division One – General Requirements

1. Architectural Drawings
2. Structural Drawings
3. Civil Drawing
4. Floor Plan
5. Elevations
6. Door and Finish Schedule
7. Sections and Details
8. Building Permits
9. Builders Risk Insurance
10. General Cleaning
11. Project Schedule
12. Full time Superintendent
13. Performance & Payment Bond

Division Two – Site Work

1. Grading and Storm Drainage
2. Landscaping –\$10,000 Allowance
3. Truck Paving – We have included 8" compacted stone for truck road and truck pad
4. Car Paving to be 8" stone and 2" asphalt (Area for Four (4) Cars)
5. Grassing of retention pond
6. Include 3' wide stone strip around perimeter of the building to guard against staining of panels from mud
7. All downspouts are piped off to storm drainage system
8. As Built Survey

Division Three – Concrete Work

1. Foundations
 - A. All Footings are designed by professional engineer
2. Building Slab on Grade
 - A. Pour 6" concrete floor using 4000 psi strength concrete
 - B. Slab on grade is unreinforced
 - C. Provide saw cut joints – Unfilled
 - D. Provide vapor barrier under slab
 - E. Furnish and install 8" of compacted stone under slab on grade
3. Concrete Paving – Not In Contract

4. Exterior wall on Three (3) sides to be 12' wide x 6' thick insulated precast wall panels. Exterior to be form finish and interior to be light room finish.
5. Miscellaneous Concrete
 - A. Sidewalk

Division Four - Masonry - Not in Contract

Division Five - Metals

1. 200' x 250' x 32' minimum clear facility with 50' x 50' bays. The roof of the warehouse is framed with joists bearing on joist girders and designed for a single ply mechanically roof system. Each joist is designed to support a 1 kip load at center span. Steel and metal deck is painted with gray primer.
2. Misc. Metals
 - A. Wall-mount steel access ladder to Roof.
 - B. Roof access hatch for above.

Division Six - Lumber

1. Roof Nailers
 - A. Pressure treated pine blocking as required.
2. Architectural Woodwork - Not in Contract

Division Seven - Moisture Protection

1. Roofing system will consist of a 45 mil reinforced (white) TPO mechanically attached membrane over one (1) layer of 3" thick R-20 polyisocyanurate insulation.
2. The membrane and insulation will be attached to the steel deck with mechanical fasteners to comply with the manufacturer's recommendation in accordance with local wind uplift requirements.
3. 24 gage (standard color) kynar coated copings, gutters and downspouts.
4. Provide manufacturer's 20 year warranty.
5. One (1) Bilco S-20 roof hatch.

Division Eight - Doors, Frames & Hardware

1. Hollow Metal Doors & Frames
 - A. Nine (9) single 3'x7' exterior.
2. Wood Doors - Not in Contract
3. Door Hardware
 - A. Nine (9) sets Door Hardware Material.

4. Aluminum Storefront

One (1) Pair 6' x 7' Aluminum Storefront Entry Doors

- Narrow stile and rail
- 1/2" glazing
- Intermediate and offset pivots
- Standard push/pulls
- Jackson panic hardware
- Surface-mount closer
- Clear anodized aluminum

B. Aluminum Storefront Windows

- Sixteen (16) 3' x 4' windows in precast
- Clear anodized aluminum frame
- Tinted Glass
- Low E Insulated glass

C. Overhead Doors -

- A. Two (2) 9' x 10' manual insulated sectional steel door with full vertical lift
- B. One (1) 12' x 14' chain operated insulated sectional steel door with full vertical lift
- C. One (1) 9' x 10' opening with fixed louver and birdscreen.

Division Nine - Finishes:

1. Paint Exterior Metal Doors
2. Paint Caged Ladder to Roof
3. Paint Exterior of Precast Concrete Panels

Division Ten - Specialties - Not in Contract

Division Eleven - Equipment - Not in Contract

Division Twelve - Furnishings - Not in Contract

Division Thirteen - Special Construction - Not in Contract

Division Fourteen - Conveying System - Not in Contract

Division Fifteen – Mechanical

1. Plumbing

A. Provide block out in slab for future sewer and water line

2. Fire Protection System

A. Provide block out in slab for fire protection riser

3. HVAC

A. Provide two (2) wall exhaust fans for ventilation. These fans will be placed in window frames and can be removed and replaced with windows at the sale of the building. This will help to minimize moisture in the building. Make up air will be supplied by 9' x 10' fixed louver at overhead door opening

Division Sixteen – Electrical

1. Service

- a. 200 Amp temporary service
- b. Provide interior lighting with switch
- c. Power wiring for exhaust fans
- d. Entrance light at office

QUALIFICATIONS

1. Design Basis

- A Design is based on interpretations of building code requirements that may or may not meet specific requirements of specific insurance underwriter.

2. Contractual

- A Allowances are all inclusive (i.e., include labor, material, subcontract, taxes, freight, etc.)

EXCLUSIONS

1. Parking lot lighting
2. Truck paving
3. Door pads
4. Environmental Testing
5. Removal of hazardous materials
6. Disposal of topsoil currently on site

ALLOWANCES

1	Landscaping/Irrigation	\$10,000
2	As Built Survey	\$5,000
3	3 rd Party Testing	\$7,500
4	Soil and Concrete Testing	\$3,000
5	Wetland Delineation	\$1,000

* These listed allowances include materials, sales taxes, labor (including burden) and equipment.

Beth Hulse

From: bcupaks@aol.com
Sent: Friday, June 25, 2010 11:13 AM
To: Phil Shirley; Beth Hulse; paulcorbell@bellsouth.net
Cc: ssokol@ix.netcom.com; philipcheney@yahoo.com; owen3555@bellsouth.net
Subject: Blue Ridge Arts Council Request for Funding.

Council Members,

On June 1, 2010 I submitted a request on behalf of the Board of Directors for funding to assist BRAC through a financial crisis.

Since the letter was written by me as reinstated (interim) grant chairperson, I wish to add a personal recommendation to the letter for consideration during the review process.

"If a decision is reached in favor of any amount of funding to BRAC, I believe it prudent that a representative from your agency be placed on the executive committee of the Board of Directors for the purpose of oversight on board and committee activity."

Thank you,
Bess Ciupak
Former President, Executive Director, and current Interim Grant Chairperson of the Blue Ridge Arts Council.



111 E. South Second St.
Seneca, SC 29678-3403

Phone/Fax: (864) 882-2722

E-mail: office@blueridgeartscenter.com

Web: blueridgeartscenter.com

June 1, 2010

Oconee County Council
Walhalla, SC 29691

Dear County Council Members:

On behalf of the Board of Directors of the Blue Ridge Arts Council, please find attached an official statement regarding the current financial situation. Also enclosed is the Profit and Loss statement for FYTD May 31, 2010.

We wish to request a meeting with County Council to review the results of the board analysis of the events of the past 18 months which have triggered this financial crisis. Since the BRAC board of directors is in a transition period, between now and July 1st, the details of our strategies for the immediate and long range resolutions of the problems are not yet completed.

The steps being taken to generate funding are included in our statement. We request three-months operating expenses of approximately \$20,000 over and above the budgeted PRT funding included in your upcoming budget.

We are, of course, taking the necessary cost-cutting measures to reduce reoccurring expenses while still maintaining an appropriate level of service to the community.

We hope to develop a continuing dialogue regarding increased annual budgeting to insure the continuation of our services to Oconee County and the surrounding upstate. We are confident that BRAC will resolve this situation and continue growing its services to the upstate.

Respectfully,

Bess Ciupak
Interim Grant Coordinator
Enc.



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June 1, 2010

To: Grantors and Sponsors,

Over the past year, Blue Ridge Arts Center (BRAC) has experienced a sharp decline in liquid assets. We are now in a position of no cash flow, although our fixed assets are appropriate for an organization like ours.

How did we get here?

The pending problem was recognized by the Finance Committee from the time the budget for FY 2010 was created and was mentioned at every subsequent board meeting. However, BRAC was involved in some exciting projects that diverted attention from a fundraising focus.

Midway into the fiscal year our Grant Coordinator resigned and was replaced by her back-up. After a few months, the Coordinator resigned and the responsibilities had to be assumed by the office staff.

The declining economy has hurt all non-profits. To face the decline without a well experienced Grant Coordinator has hampered our efforts to outreach to new sources and promote continued level of support from existing grantors. The economic downturn has clearly created a different environment.

BRAC has always had a modest office staff, but they have been encouraged to maintain a friendly environment, and they do all they can to support committees. This was a good balance. However, we should have reduced staff as soon as the markets collapsed.

Simply stated, BRAC should have reacted to the projected cash flow problem much earlier. The finance committee recognized the problem, but could not generate a defensive reaction. We have maintained prompt payments to all vendors therefore our credit standing has not been affected.

What are we doing about it?

Immediate action is being taken to secure an immediate infusion of unrestricted funding through an equity line of credit on our building which is the oldest standing church in Seneca, on the National Register of Historic Buildings, and located in the Seneca Historic District.

Benefactor sponsors are also being sought to sustain us during our reorganization.

We request that county council consider the funding of three-months operating expenses of approximately \$20,000 over and above the budgeted PRT funding included in your upcoming budget of \$5300.00.

BRAC has already reduced the staff from three to two. We are looking at visitor counts to evaluate having staff on site, but the gallery closed to provide staff time for administrative functions. We are also going to review the interaction between committee volunteers and office staff to develop a more effective and efficient interface.

The former Grant Coordinator has returned on an interim basis which revitalizes our ability to pursue grants. The return of an experienced coordinator should also improve our presence in the community providing an indirect benefit.

We now understand the requirement for business acumen as well as artistic orientation for members of our board. The new nominees for the board will bring with them the necessary understanding of business principles, and we plan to transition them in with a financial review of the organization. Reality should bring a better vision to the board.

Effort has already started on two fund raising projects that should bring in a consistent flow of revenue. The first is the sale of tulip bulbs for the spring and fall planting. This is low risk since orders are taken in advance and customers usually repeat when you are supplying quality bulbs. The second is to sell pieces to an interlocking mosaic in the shape of Oconee County. It will be named "The Oconee Connection" and will be mounted on the wall in the lobby. The individual pieces will represent donations similar to the "tree of life" concept or the bricks sold for patios. We are looking at larger projects, but have to build member commitment before we can staff a major event.

We are looking for ways to expand art sales for our members. BRAC draws a reasonable commission on those sales. The sales are done both within our gallery

and at offsite venues. Not only will expanded sales provide revenue, but it will also increase exposure which can yield increased membership.

We are also examining the benefits of membership. Class discounts; advance exhibit information; and artist support and promotion in all areas will be reviewed and enhanced where appropriate. We are consistent with other organizations in the area, but would like to find ways to increase total membership revenue. We are moving cautiously to not cause a significant reduction in our membership numbers.

Class availability and scheduling; pricing; instructor qualifications and other possibilities are being considered. The economy has affected our children's class attendance and we hope to encourage more sponsor participation in our "YES" Youth Education Scholarships.

We are holding weekly Executive Committee meetings to build upon these ideas and develop other approaches to income. We are convinced that an active art community is vital to the growth of our area, and will do whatever is necessary to revive and grow our "Bringing art to the people and the people to the arts".

Respectfully,

Steve Sokol, Treasurer

Blue Ridge Arts Council
Profit & Loss
July 2009 through May 2010

	<u>Jul '09 - May 10</u>
Ordinary Income/Expense	
Income	
ART RELATED SALES:	
Artwork Sales	1,029.55
Artwork Sales -Offsite	2,305.28
Total ART RELATED SALES	<u>3,934.84</u>
DONATIONS-COMBINED	
DONATIONS - BUSINESS	
Non-Designated	50.00
Total DONATIONS - BUSINESS	<u>50.00</u>
DONATIONS - INDIVIDUAL	
Exhibits	32.18
Lobby Box	90.53
Nondesignated Donations	32.00
DONATIONS - INDIVIDUAL - Other	14.00
Total DONATIONS - INDIVIDUAL	<u>139.71</u>
Total DONATIONS-COMBINED	189.71
EDUCATION INCOME	
Classes - Studio	10,803.90
Kids Kamp	3,640.17
Quilt Trail	5,947.10
Yes Scholarship	59.00
Total EDUCATION INCOME	<u>20,150.17</u>
EXHIBIT INCOME	
Juried Show	2,538.00
Members Show	1,150.00
Other	80.00
Total EXHIBIT INCOME	<u>3,748.00</u>
FUNDRAISING INCOME	
Non Designated	40.00
Total FUNDRAISING INCOME	<u>40.00</u>
GRANTS - Unrestricted:	
Dreyfus Fund	4,500.00
Oconee County Arts & Hist. Council	5,300.00
S.G. Arts Commission	2,950.00
Total GRANTS - Unrestricted	<u>12,750.00</u>
INTEREST & DIVIDENDS	697.96
MEMBERSHIP DUES	
Individual	6,548.00
Total MEMBERSHIP DUES	<u>6,548.00</u>
MISC. INCOME	378.48

Blue Ridge Arts Council
Profit & Loss
July 2009 through May 2010

	<u>Jul '09 - May '10</u>
STUDIO RENTAL	200.00
UNIDENTIFIED REVENUE	7.00
Total Income	<u>48,544.17</u>
Expense	
ACCOUNTING	535.00
ARTISTS SALES (70% Payment)	5,115.38
BANK SERVICE CHARGES	
Credit Card Fees	919.27
PAY PAL Fees	9.77
BANK SERVICE CHARGES - Other	<u>48.98</u>
Total BANK SERVICE CHARGES	967.32
DOES & SUBSCRIPTIONS	45.00
EDUCATION - EXPENSES	
Instructor Fees - Kids Kamp	4,824.00
Instructor Fees - Other	9,233.11
Quit Trail	3,571.25
Supplies - Kids Kamp	220.14
Supplies - Other	<u>603.55</u>
Total EDUCATION - EXPENSES	18,502.05
EXHIBITS	
Jured Show	<u>1,900.00</u>
Total EXHIBITS	1,900.00
FACILITY MAINTENANCE	
Building Supplies	454.40
Janitorial Service	150.00
Lawn and Grounds Care	326.00
Repairs and Replacements	354.09
Security System	267.35
FACILITY MAINTENANCE - Other	<u>174.50</u>
Total FACILITY MAINTENANCE	1,725.44
FUNDRAISING EXPENSES	415.00
HOSPITALITY	305.30
INSURANCE	2,141.20
MAKE IT & TAKE IT	442.75
MISCELLANEOUS	119.00
OFFICE	
Equip. R & M	636.72
Office Supplies	1,273.00
Postage and Delivery	
bulk mailing	317.00
Postage	<u>303.50</u>
Total Postage and Delivery	620.50
Printing and Reproduction	900.89
OFFICE - Other	<u>336.67</u>

Blue Ridge Arts Council
Profit & Loss
July 2009 through May 2010

	<u>Jul '09 - May '10</u>
Total OFFICE	3,340.78
SALARIES	
Payroll Expenses	24,814.47
Payroll Tax	2,354.87
Total SALARIES	<u>27,169.29</u>
Unidentified Expense	23.03
UTILITIES	
Electric and water	3,863.85
Gas	1,372.58
Internet Service	12.74
Telephone	1,443.84
Total UTILITIES	<u>7,293.01</u>
Total Expense	<u>69,168.18</u>
Net Ordinary Income	-20,844.01
Other Income/Expense	
Other Income	
INTEREST INCOME	5.88
Total Other Income	<u>5.88</u>
Net Other Income	<u>5.88</u>
Net Income	<u>-20,838.33</u>



NOTES
TRANSPORTATION COMMITTEE MEETING
July 1, 2010

Dr. John's Road / Closure Clarification

The Committee approved directing the County Engineer to contact the attorney working on this matter to instruct him to close Dr. John's Road beginning at Cedar Ridge Drive.

Broadus & Linda Thomas / Sirrene Street, Seneca

The County Attorney is working on a new easement for this project.

Lake Becky Road / Paving & Sealing

The project is anticipated to be completed prior to the next Committee meeting.

Waterford Point Subdivision Right-of-Way Deeds

MOTION: The Committee recommends Council approval acceptance of the Right-of-Way deeds for the Waterford Point Subdivision.

Alice Lane

The Committee directed the County Engineer to notify the residents that the matter was deferred to the next scheduled meeting and request they attend the meeting to discuss the issues.

Mary Sue Lane

The Committee recommends to Council that the County not accept the road as it does not meet minimum county standards.

Encroachment Permit Policy & Fees

Mr. Thrift asked the Clerk to Council to identify potential dates within the next month to schedule a Transportation Committee meeting to address Alice Lane and the Encroachment Permit Policy & Fees.

In-House Asphalt Purchases [Procurement Policy Extension]

MOTION: The Committee recommends Council approval making the pilot program for in-house asphalt purchases a permanent policy.

Other New Business

Discussion of Procedures for Future Road Closures

MOTION: The Committee recommends to Council instructing the county attorney to draft an ordinance stating that after Transportation Committee review and approval of a citizen initiated road closure matter that it is the responsibility of the citizen[s] to pursue in court the road closure action and all expenses related to the action are the sole responsibility of the citizen[s] initiating the matter.

The Committee also approved a letter to Mr. Scott Allmon from the Administrator stating that all existing road closure matters are to be concluded within sixty [60] days and if this can not be accomplished that the files are to be returned to the County for reassignment.

